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A visit to Fred's Place, Main St., Cincinnati

Advertising Age

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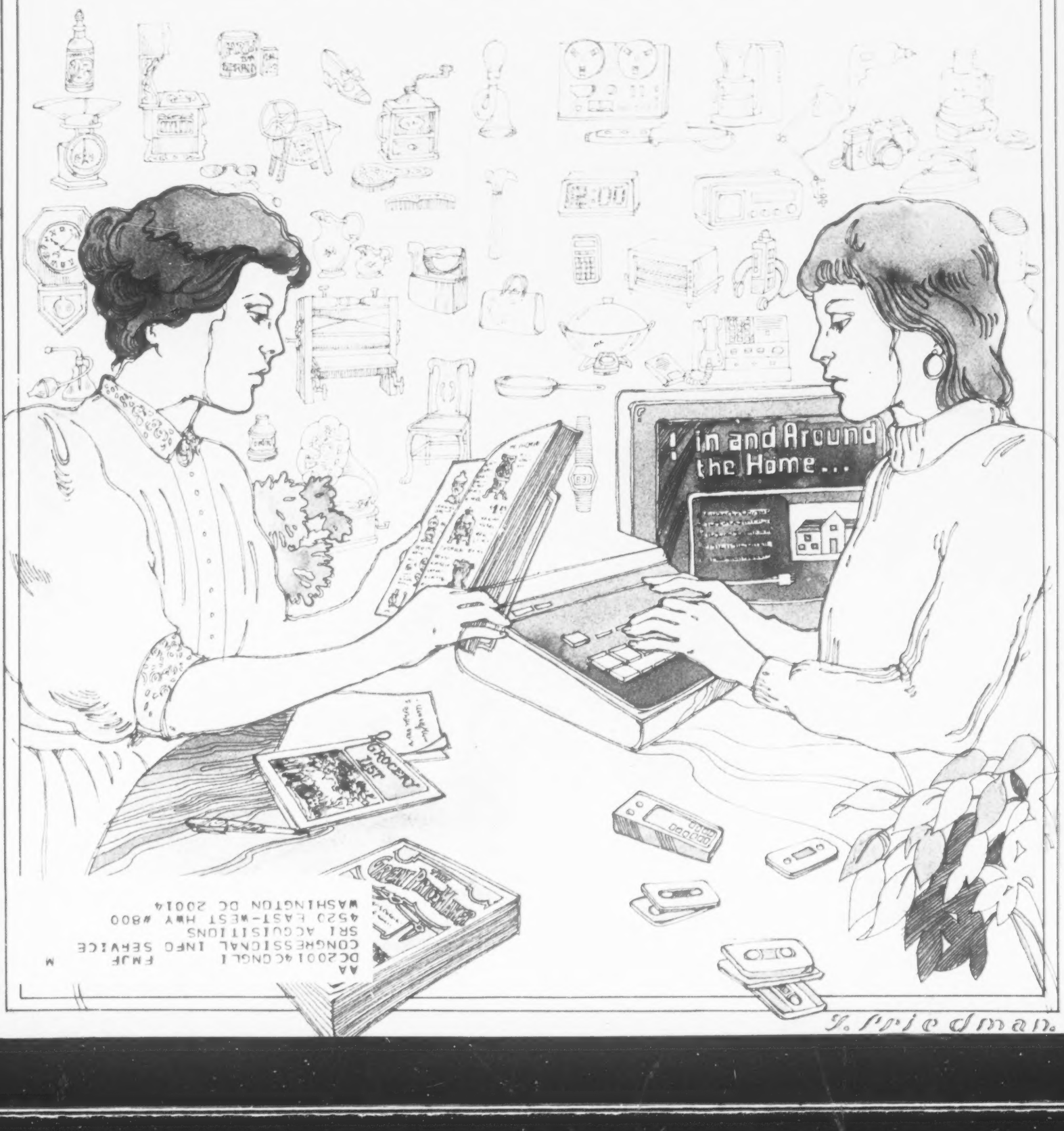
$1 a copy; $40 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *January 18, 1982*

DIRECT MARKETING

The changing tools of the trade—See Section II



J. Friedman.

NEWSPAPER

AA
DC2001 4CONGL1 FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACCOISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Networks begin Feb. sweeps shuffle

High Court rejects NFL

By JAMES P. FORKAN

NEW YORK—Football and February were very much on the minds of tv network and advertising execs last week.

The February sweeps period was the focal point of a good deal of schedule juggling and the subject of a CBS-TV "February fireworks" promotion push. Although the official sweeps span is Feb. 4 through March 3, sources felt that Feb. 1-3 would also be important since they would serve to build ratings momentum for the latter part of the week.

Aside from Super Bowl XVI, football got top-of-mind awareness thanks to the U.S. Supreme Court decision allowing catv systems to continue importing distant tv signals containing National Football League coverage.

■ In rejecting the NFL's challenge on distant signals, the Supreme Court upheld the Federal Communications Commission's 1980 repeal of catv restrictions, which allows catv systems to carry more such signals of tv network and station programing. The NFL lawyers had argued that this means "a cable system could. . .bring into an NFL team's home territory, when the team is playing a home game on a Sunday, every NFL game being played that day."

The NFL's director of broadcast, Val Pinchbeck Jr., called the decision "disappointing" but not surprising. The NFL has had to cope with the relaxed rules for nearly two years already, he said, but continues to maintain that it is "very concerned about overexposure."

Turning to the NFL rights situation for fall 1982 and beyond, Mr. Pinchbeck said serious discussions with the three commercial tv giants have yet to start and added that the NFL for now is not very interested in cable network connections.

■ "We have had contacts" occasionally about NFL coverage from catv nets that carry sports, Mr.

(Continued on Page 88)

DING
DING
DING
$1.39
Are you still driving a car that was built when gas was 60¢?
Until March 31, American Motors will pay you up to $500 to get rid of it.
1977-78 $300
1975-76 $400
1974 or older $500
American Motors wants you to have a new car.

The older the better

American Motors' new campaign attacks the tendency of motorists to hold on to their cars longer by offering rebates that increase in value with the age of the car being traded in (AA, Jan. 11). Ad stresses the idea that older cars also tend to be gas-guzzlers.

world news roundup

LONDON—Gillette U.K. and Wilkinson Sword are both making an aggressive bid to break the four-year dominance of French company Biro-Bic in the growing disposable sector (now more than 50%) of the $680,000,000 U.K. razor and blades market. The Gillette account will be worth nearly $10,000,000 to Benton & Bowles and Saatchi & Saatchi this year, while Wilkinson's expenditure through Michael Bungey DFS will jump to nearly $8,500,000. Bic has 15% of the disposables market, while Gillette holds 12.5% and Wilkinson 7%.

GENEVA—Grey Advertising has strengthened its European network by buying a major interest in Geneva's Creative Collaborations S.A., billing $7,235,800, which in turn gets a network to service its multinational accounts, such as Du Pont Europe, Exxon Office Systems and Philip Morris Inc.

MONTREAL—Irwin Toy is appealing last week's Superior Court decision that Quebec's law banning tv advertising to children is constitutionally within the province's powers.

FRANKFURT—Sunbeam subsidiary Rowenta is moving its $4,000,000 lighter and small appliance account to Durana Ketchum here from Benton & Bowles.

LONDON—BBDO looks set to hang on to Avis outside the U.S., with local management in Europe, Asia/Pacific, Canada and South America requesting that the agency be retained on the vehicle rental company account. European billings tally $5,500,000, with advertising coordinated by SJIP/BBDO in London.

Home communications seen big growth area

Where's AT&T headed?

By ROBERT RAISSMAN

NEW YORK—The agreement reached between the Justice Department and the American Telephone & Telegraph Co. will open new product lanes to the company in the race for communications dollars, but it is still unclear how many slots the giant corporation will fill.

Will it be computers, cable, electronic advertising, office information, home information services? All, or a combination of a few? Each expert in communications has an opinion, and the agreement, as it stands now, places little restriction on the Bell.

The agreement requires AT&T to give up its 22 wholly owned local telephone subsidiaries but allows the company to enter fields that were previously restricted, including data processing, communications between computers and the sale of telephone and computer terminal equipment. Under the agreement, the company also retains its long distance (Long Lines) service.

The telephone subsidiaries are worth $80 billion, or two-thirds of the company's assets.

The settlement hit a snag last week when U.S. district court Judge Harold Greene in Washington said the settlement must undergo judicial review and also be exposed to public comment. The two parties must resolve the procedural problems by Jan. 18 or they could be forced to resume the trial.

If the decision stands, industry observers believe AT&T won't drastically alter its advertising and marketing machinery to sell new products.

Louis T. Hagopian, chairman of N W Ayer, agency for AT&T corporate and Long Lines, explained that all AT&T's associated companies had separate agencies. "As the company changes, the advertising might," he said, "but in terms of basic character, AT&T remains intact."

It was apparent before the settlement that AT&T was going to be able to enter new businesses either partially, under an order from the Federal Communications Commission that allowed Bell to set up a subsidiary that would not be subsidized by local telephone rates, or radically under a settlement with the Justice Department.

K.W. Weihe, advertising director-business at AT&T, said in an interview before the settlement that although the company was always developing new products it was hard to plan ahead because Bell didn't know when those prod-

(Continued on Page 84)

highlights

Monday, Jan. 18, 1982

National Basketball Assn. is negotiating catv rights with three major entities. *See Page 6.*

Murjani selects Doyle Dane Bernbach in its search to enhance its image. *See Page 6.*

NAD December Report: Colgate-Palmolive agrees to modify ad claims for Ajax Gold dishwashing liquid. *See Page 10.*

France's new government has complicated things for Dancer Fitzgerald Sample's affiliate there. *See Page 12.*

Lean Cuisine rollout by Stouffer Foods may bring a marketing countermove from Weight Watchers. *See Page 14.*

Buster Brown Textiles breaking a new campaign as its takes on Health-tex and Carter's. *See Page 34.*

Promotion Marketing Assn. of America chairman Robert Wehling wants the organization to be known as the primary resource for the industry. *See Page 34.*

Special ad supplements are proliferating in Europe despite some criticism. *See Page 39.*

Aspertame-sweetened products will begin appearing this spring. *See Page 47.*

An antigas remedy is under new review by the government. *See Page 79.*

NoRMA newspaper ad award winners were topped by B. Altman & Co., New York. *See Page 86.*

Old Grand-Dad bourbon is 100 years old and in the news because of a record-setting flight by a jet bearing its ad slogan. *See Page 89.*

Ocean Spray Cranberries rolls into New York and Philadelphia with juices and drinks in paper bottles. *See Page 90.*

Norton Simon chief David Mahoney's role in finding an Avis spokesperson. *See Page 90.*

Cover illustration by Judith Friedman.

CORPORATE CLOSEUP

Godfather's Pizza, which has enjoyed tremendous growth in recent years, has pulled its franchises together for a stronger marketing push. *See Page 4.*

MAGAZINE

Are you from Lever? AA visits Fred Cianciolo, a Cincinnati grocer who probably knows as much about Procter & Gamble's new products as anyone outside P&G itself. *See Page 49.*

The second installment of AA's excerpts from Oscar Schisgall's "Eyes on Tomorrow" looks at P&G's Pampers—a paper breakthrough that literally created a $1 billion-plus market in the U.S. alone. *See Page 50.*

William D. Tyler presents his picks for the best print ad campaigns of the year. This time he presents nine and asks readers to submit their picks for a 10th. *See Page 52.*

Bob Stone interviews C. Rose Harper, president of The Kleid Co. and first woman to chair the Direct Mail/Marketing Assn. *See Page 57.*

According to Hooper White, the production of broadcast advertising is like a moving stream—you never dip into the same water twice. Mr. White discusses some new techniques. *See Page 60.*

VIDEOTECH

"Stir Crazy" topped November's vcr best-seller survey. *See Page 69.*

section 2

DIRECT MARKETING

What effects are the more recent electronics developments having on the direct marketing field? Direct marketers are nibbling, and some are being soundly hooked, by the new electronics systems. To find out what is here to stay and what is hearsay, turn to direct marketing, opposite Page 46.

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Vol. 53, No. 3—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semi-weekly the third week in March, the second week in September at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices.

Totino's tv spots draw Jeno's ire

By JANET NEIMAN

Jeno's Inc. last week warned tv stations nationally that they will be subject to a lawsuit if they run either of two spots for Pillsbury's Totino's brand frozen pizza.

The advice came in publicized criticism of Totino's tv spots, created by Paragon Cos., Minneapolis, which Duluth, Minn.-based Jeno's says contain "depictions and statements that are false, deceptive, unfairly disparaging of the industry and unsuitable for broadcasting."

Jeno's issued to the press a statement and copies of a letter it said were sent Jan. 11 to more than 300 tv stations around the country, but several major network affiliates contacted late last Wednesday said their stations had not received copies of the letter. Officials of CBS declined to comment on Jeno's statement that the network rejected Totino's ads because the copy "denigrates the frozen pizza industry and this is unacceptable."

In the criticism, Jeno's took issue with Totino's 30-second commercials for its Classic and Single Serve pizzas, which claim, respectively, that people don't like most frozen pizza because "the crust

(Continued on Page 84)

CONTINENTAL MULLS 'NOVEL' PLAN

WRG flies the way Pan Am wants to fly

By ROBERT RAISSMAN

NEW YORK—Joseph R. Daly, chairman-chief executive officer of Doyle Dane Bernbach, says it was simply a matter of friendship that caused his agency to lose the $35,000,000 Pan American World Airways account to Wells, Rich, Greene.

The friendship Mr. Daly referred to is between Pan Am chairman C. Edward Acker and former Braniff International chief Harding L. Lawrence. Mr. Lawrence, the husband of WRG chairman Mary Wells Lawrence, is now a WRG consultant.

"The whole thing is very simple," Mr. Daly said, "Mr. Acker and Harding Lawrence are buddies from way back. We were not conscious of the relationship at first, but even if we were, so what? What could we do about it?"

In addressing the eastern conference of the American Assn. of Advertising Agencies, Mrs. Lawrence tried to squelch the idea of friendship as playing a role in the account change. She said Pan Am respected the job WRG did when the agency handled TWA.

She said no other agency had the international expertise of WRG and that was of prime concern to Pan Am. "A few executives with Pan Am—including Mr. Acker—worked with us when we had Braniff," she continued. "They

(Continued on Page 83)

Daily Airline Derby

Rank	Carrier	Est. '81 Billings	Current agency	Had account since:	Status of account
1	United	$60,000,000	Leo Burnett U.S.A.	October, 1965	Long relationship viewed as firm, loyal unless red ink mounts
2	TWA	55,000,000	Ogilvy & Mather	April, 1979	Good, company officials say relationship has been growing stronger
3	Eastern	54,000,000	Campbell-Ewald	October, 1981	Too early to tell—first campaign just broke but friendship between C-E's Thomas B. Adams and Eastern's Frank Borman should promote stability
4	American	45,000,000	B&J/Southwest	June, 1981	Rumored to be shaky; solid according to client and agency
5	Delta	42,000,000	Burke Dowling Adams (BBDO)	May, 1945	Good, long-term relationship that builds as Delta continues to be the healthiest major U.S. carrier
6	Pan American	35,000,000	Wells, Rich, Greene	January, 1982	It's a new account and too early to tell but the word "stability" does not seem to exist in the vocabulary of Pan Am chief C. Edward Acker
7	Northwest	23,000,000	Grey Advertising	February, 1981	Shift to Grey seen as signal that formerly somnambulent carrier preparing for battle
8	Republic	20,000,000	Campbell-Mithun	December, 1981	Went with C-M as former longtime Northwest agency
9	Continental	16,000,000	Wells, Rich, Greene	December, 1981	WRG proposing "separate mechanisms" to keep it and Pan Am; Continental's answer due soon
10	Western	14,000,000	McCann-Erickson	January, 1980	Agency has weathered severe storm front, may be in clear
11	Braniff	12,000,000	Bloom Agency	October, 1981	All smiles with new marketing strategy ad campaign
12	Southwest	3,500,000	GSD&M	October, 1981	Solid with major strategy shift under way

Airline derby chart shows how the major trunk lines and some of the smaller carriers have switched agencies in recent years. Status comments are based on AD AGE reporting.

Republic Air strives for national image

By RICHARD KREISMAN

Eighteen working days after moving its $20,000,000 account to Campbell-Mithun, Republic Airlines is taking to the air with a new campaign and heavier-than-ever ad doses prescribed to cure the carrier's continuing image as a collection of small airlines.

The new approach includes the first-time use of network tv for the Minneapolis company, and an ad theme, "Nobody serves our republic like Republic," touting the airline's size and 204 destinations.

The sense of urgency and the need for short-term solutions stems from Republic's mounting losses—$52,700,000 through November, 1981.

Republic execs said Campbell-Mithun won the account in December because it proposed immediate changes, including the speedy ad campaign, which the agency began working on the day it got the account.

The carrier's financial situation is more precarious because of the heavy debt it took on when it acquired troubled Hughes Airwest in 1980. Republic itself was born in 1979 when North Central and Southern Airlines merged.

The three-month campaign, featuring network and spot tv, radio, newspaper and outdoor, is aimed at increasing the airline's awareness levels in core markets and off-line cities. Spots breaking today in hub markets show Republic destinations, ranging from Seattle, Wash. to Washington, D.C. Radio spots ask, "Where would you like to go today?" and list a number of Republic destinations.

Network tv starts the week of Jan. 24 when Republic co-sponsors ABC-TV's "F.D.R." retrospective with David Brinkley and later branches out into news and late-night programing. John Harty, director of advertising and sales promotion, said network tv would help increase awareness and presell the Republic name.

Last week Minneapolis agency Kolesar & Hartwell announced it had been awarded Republic's cargo advertising. Hoffman York & Compton had been the agency. Advertising manager John Temple, however, said a decision had not yet been made.

The $1,000,000 assignment would include cargo media, sales promotion and market testing of expanded support for V.I.P. small package delivery service.#

DENTURE BREATH?
FINALLY, A BREATH FRESHENER MADE JUST FOR YOU.
BrethGard
BrethGard is the first and only long-lasting denture breath freshener cream.
BrethGard is not just another mint, spray or mouthwash made for bad breath—it's a specially formulated, long-lasting cream made just for denture wearers. Simply apply BrethGard to your dentures. Then moisture activates its unique long-lasting mint formula, freshening your breath for hours. And hours.
30¢
30¢

Special protection

Carter-Wallace is testing BrethGard, a denture breath freshener cream, in Peoria. Ads from Avrett, Free & Fischer note it is "specially formulated. . .just for denture wearers."

Orange juice processors assess situation

Freeze freezes Fla. fruit ads

LAKELAND, FLA.—The damage to Florida's citrus crop caused by last week's freezing temperatures will result in advertising and promotional cutbacks, a sales embargo and some price increases.

As much as 84% of the state's crop was damaged, marking the second consecutive year that the vulnerable trees were hit by cold. The Florida Citrus Commission placed a 10-day embargo on the shipment and sale of fresh fruit, as the industry assesses the situation.

In addition, about $1,000,000 in scheduled advertising will be cut from the commission's $20,000,000 annual budget. About 40 newspapers in the North and Midwest were the first to feel the freeze in citrus advertising; ads scheduled to run in the next 30 to 90 days were immediately canceled.

A "Fresh Orange Sweepstakes" also was planned to be advertised in upcoming editions of several women's books, including *Better Homes & Gardens, Good Housekeeping* and *Redbook*. The commission is negotiating to cancel these insertions.

All of the advertising that has been canceled is for fresh fruit, which constitutes about 10% of the orange crop and about 30% of the grapefruit crop. The rest of the crops go into juice, Florida's main citrus product. Fruit still on the trees and destined for juice processing is not affected by the embargo.

There is no estimate yet as to the dollar volume of the damage. The record-shattering low temperatures striking the citrus belt last week are being compared to the freezes in January of 1977 and

(Continued on Page 84)

Kodak flashes instant threat

By GAY JERVEY

While the world awaits Eastman Kodak's Feb. 3 introduction of its landmark film disc camera, the company last week trotted out something more familiar: An improved Kodamatic line of instant cameras. With them, Kodak hopes to inflict more damage on rival Polaroid's instant camera line than its earlier entries have done.

They had better. Ever since the colossus of Rochester, N. Y., entered the instant camera market with Colorburst in 1976, its share has hovered around 30% of the $1.5 billion instant photography market—and that share was earned early on. Some analysts place Colorburst's current share at only 25%—and, like instant profits, going nowhere fast. According to analysts, who say the instants' bottom line looks redder all the time, Polaroid's tenacity coupled with the Colorburst's basically "me-too" nature, apparently forced Kodak off its plateau and into some nasty price wars with its Cambridge, Mass.-based rival.

But neither they nor ad budgets of at least $13,000,000 annually have helped. To further darken Kodak's instant picture, Polaroid last May rolled out a high speed 600 instant photo system, the Sun camera, which has met with favorable technological reviews and mounting sales success.

Kodak's answer to the Sun comes in the form of four new Kodamatic models and a high-velocity instant film. Three of the models fold up and have a built-in flash that automatically adjusts to either indoor or outdoor light.

Kodak says its new light system will, by blending shadows and honing colors, improve the poor

(Continued on Page 83)

'News' sales data upbeat

By STUART EMMRICH

NEW YORK—Bolstered by a prospectus that shows recent gains in circulation and earnings at the *New York Daily News*, Tribune Co. execs are beginning to hold serious talks with potential buyers of the paper.

For the first time in a month since the Tribune Co. announced that the paper was up for sale, the parent company is able to provide interested parties with hard figures about the paper's finances and educated guesses about its future.

■ Those figures reportedly show that the *News*, which lost an estimated $11,000,000 in 1981, was earning up to $1,000,000 a month during the latter part of the year and that circulation was showing an impressive climb to a daily figure of 1,567,000, and a Sunday circulation climb to the 2,000,000 mark.

Although spokesmen for the Tribune Co. and Salomon Bros., the brokerage firm that is handling the sale, refuse to discuss who the company is talking to or its timetable, they acknowledge that earnest negotiations have begun.

"We are actively discussing the possibility of the sale with a number of parties that go across the spectrum of industries," said Jay Higgins of the merger and acquisitions department in the Salomon Bros.' New York office.

While the confidential release of the prospectus has hardened the negotiation process, it has also prompted a call from the paper's unions that the Tribune Co. reconsider selling the paper. The unions are arguing that because the financial condition of the paper seems to be improving, the Tribune Co. should hold on to the *Daily News*.

If a buyer does materialize for the *News*, insiders are betting that it will not be a publishing company but a conglomerate outside the newspaper business.

Knowledgeable sources say that Gannett and Newhouse have taken a quick look at the paper and decided they are not interested. Other newspaper chains have said from the beginning they are not in the market for the *News*.

Los Angeles-based Times Mirror has shown some interest in the *News*' Brooklyn printing plant, which could be modernized and used to push expansion of its Long Island-based *Newsday* into Queens if the *News* folds.

But Tribune Co. execs are adamant: Any deal will have to include the paper; that's their first priority.

■ The real estate associated with the *Daily News* is reportedly one of the key reasons Warner Communications, the only company to publicly show interest in the paper, was willing to talk to the Tribune Co. about the sale. But insiders say that interest is now waning. Warner execs are downplaying the company's interest in the paper and other observers say that chairman Steve Ross took a quick look at the paper and by now has pretty much decided to stay clear.

Meanwhile, other interest has come from some slightly surprising quarters.

News World Communications, the newspaper publisher associated with the Rev. Sun Myung Moon, has contacted the Tribune Co., but a spokesman for News World said the visit was a "sightseeing trip" that may or may not develop further.

■ *News* staffers, though, are preparing for any development. Strains of Hare Krishna chants could be heard in the paper's hallways last week.

Also, Michael Goldstein, founder and former publisher of *Soho Weekly News* and the defunct *Wall Street Final* is letting people know he would like to return to New York newspaper circles as publisher of the *News*.

He is making initial contact with several companies thought to be interested in any package deal offered by the Tribune Co., telling them they can take the real estate and hire him to run the paper as publisher.#

WRG flying Pan Am's way

(Continued from Page 3)

know what they can expect and they feel secure with us at a time they need to feel secure," she said.

Security has not been a feeling generated between major airlines and their agencies over the past months. Last June, DDB dropped American to take Pan Am which, in turn, let N W Ayer have the axe. Bozell & Jacobs quickly grabbed American. In October, Campbell-Ewald moved in to take the $54,000,000 Eastern Air Lines account from Young & Rubicam, breaking up a 17-year relationship.

Close personal ties played a role in that move.

Los Angeles-based Continental Airlines, meanwhile, has not had much chance to work up a personal relationship with WRG, having named the shop just this past December (when WRG dropped Braniff). Continental late last week was trying to decide whether to keep or split with WRG/West because of its new Pan Am account. Mrs. Lawrence has put forth a proposal to set up a subsidiary agency to handle Continental's $16,000,000 billings.

While the subsidiary approach was considered novel by most adpeople contacted, a Continental source called that proposal only one of a couple of "interesting ideas" presented by the agency to resolve the conflict problem. Earlier last week, WRG presented a new campaign to the carrier, and consideration of this was understood to be part of the reason why Continental could make no quick decision.

In contact with Continental and watching developments closely are Benton & Bowles, which had the account whisked away from it by WRG; DDB, and Needham, Harper & Steers, which preceded B&B on the business.

Back in New York, DDB's Mr. Daly said, "We knew other agencies were trying to woo them [Pan Am] away but, frankly, we didn't think about Wells, Rich, Greene."

Mr. Daly said Pan Am seemed pleased with DDB's work. Only two days before the agency was fired, he said, there was a staff meeting at which he was told the ads were working well. At 3:30 p.m. on Jan. 8, William Bernbach, chairman of DDB's executive committee, and Neil R. Austrian, DDB's president-chief operating officer, were called to a meeting with William H. Waltrip, Pan Am's president-chief operating officer. At that meeting they were told DDB was no longer the airline's agency.

"We had absolutely no advance warning," Mr. Daly said. He said he was convinced that the decision was made by Mr. Acker.

The relationship between Messrs. Acker and Lawrence dates back to the early 1960s. Mr. Acker came to Braniff as a senior vp-planning in 1965 from the Dallas-based Greatamerica Corp., a miniconglomerate that also was a subsidiary of LTV Corp., then known as Ling-Temco-Vought. Greatamerica had acquired 57.5% of Braniff in 1964, and sources said Mr. Acker was brought in to help protect Greatamerica's interest.

In 1970, Mr. Acker was named president-chief operating officer in charge of Braniff's day-to-day operations. "They [Lawrence and Acker] were pretty close, obviously," said an LTV exec, who declined to be identified.

But some airline industry execs said a rift developed between Mr. Acker and Mr. Lawrence. During the Watergate years, Braniff was charged—as were a variety of companies—with creating a slush fund for the purpose of making contributions to the 1972 presidential campaign of Richard Nixon. Mr. Acker left Braniff in 1975, and industry sources said the timing of his release cast him as the "fall guy" in the affair in the eyes of the airline industry.

"Ed Acker is a tough, independent-minded businessman," said one airline exec. "He has a lot of airline industry advertising experience and there is a purpose behind what he does."

Commenting on the change, a Pan Am spokesman said WRG was chosen because they suited the airline's needs. "What more can we say and we're not going to say anymore," the spokesman said.

For his part, Mr Daly said the airline industry has become a peculiar business. "I don't think most marketing organizations do business on the basis of friendship," he said. "I have to make a judgment that the airline industry does [place heavy emphasis on friendships], on the basis of what has happened over the past year or so."

Despite its peculiarities, Mr. Daly said DDB has a wealth of airline experience and would not hesitate to get back into the airline business.#

'Coke is it' set to air

ATLANTA—"Coke is it" is the new theme for Coca-Cola Co.'s flagship brand, according to sources at McCann-Erickson, the Coke agency.

The campaign is expected to break within several weeks. Agency execs are making the rounds of local media now to set up buys.

In November, Sergio Zyman, vp-marketing operations, said the company would test several new themes before deciding on a new one. Another exec, Brian Dyson, Coca-Cola USA president, acknowledged that "Coke is it" was one of those under consideration (AA, Nov. 30).

Sources say Coca-Cola management was misled by false reasoning when it moved to "Have a Coke and a smile" in 1979. At the time, those close to the company said management wanted to suggest that consumers drink the cola instead of simply positioning it, for example, as "the real thing."

Management apparently got "hung up" on promoting the end benefit, said one source, but now seems to have returned to the old philosophy of positioning the product as one element contributing to Americans enjoying themselves and their lives.#

for the record

NEW YORK ATTORNEY GENERAL Robert Abrams has proposed legislation to protect cable tv subscribers from the exploitation of personal information gathered by interactive cable systems. The bill would forbid cable companies from disclosing any subscriber information on file without consent. Warner Amex Cable earlier issued its own privacy code.

WARNER AMEX Satellite Entertainment Co. has restructured its marketing unit. Andrew H. Orgel, formerly vp-affiliate relations, is now vp responsible for regional offices. Fred Seibert, formerly vp-on air promotion and production, has been named vp-creative services. Jordan A. Rost, vp-research and previously reporting to Robert G. McGroarty, senior vp-marketing and sales, will now report to John A. Lack, WASEC exec vp.

BIDS FOR CONSTRUCTION of the nation's first direct broadcast satellites were sought last week by COMSAT's Satellite Television Corp. STC said it hopes to begin the three-year project after federal approval.

CURTIS PUBLISHING has sold *The Saturday Evening Post* to Benjamin Franklin Literary & Medical Society, Indianapolis, for $4,500,000. It also is negotiating for the acquisition of the now-defunct *Quest*.

ANHEUSER-BUSCH, St. Louis, remains kingpin of the beer industry with a 29.5% share of the market. A-B's sales increased 8.6% in 1981, selling 54,500,000 bbls., compared with '80. Miller Brewing Co. remains a solid No. 2 with a 22% share. Sales rose 8% to 40,300,000 bbls.

UNITED PRESS INTERNATIONAL has drawn the interest of National Public Radio. NPR has contacted UPI owner E.W. Scripps about an unusual plan to turn UPI over to the NPR as a tax deduction, with NPR then running the wire service as a tax-paying subsidiary.

STIMPSON ASSOCIATES and Solkover Group, both Seattle, have merged to create a $10,000,000 agency. The Stimpson name will be retained and Stimpson's John A. King will be president.

DIAL is offering its advertisers a chance to pick up two new markets through an agreement it has reached with two regional public tv publications, *Focus*, San Francisco, and *Vision*, Dallas.

CAMPBELL SOUP, Camden, N.J., responding to a formal inquiry of the New York Stock Exchange, said it is not aware of any unusual developments that would account for the increased activity of its stock. One rumor was that PepsiCo was interested in acquiring the soup company, but a PepsiCo spokesman denied any interest or contact.

ESPN, Bristol, Conn., booked Tampax (Esty) as a new client and renewed Exxon (McCaffrey & McCall) and Owens-Corning (O&M) to six-figure buys, for a combined $1,250,000 in 1982 commitments.

MARTIN LANDEY, former deputy chairman of Geers Gross, New York, has formed Martin Landey Associates, which will specialize in marketing communications and is located at 747 Third Ave., 10017.

FERBER, JANKLOW & ASSOCIATES, New York, has merged with Chimbel & Bender to form Ferber, Janklow, Chimbel, Bender, with an estimated $5,500,000 in billings. The address is 1790 Broadway, 10019.

VITT MEDIA INTERNATIONAL has closed its Los Angeles branch, with Jim Barker, manager, among those who were dismissed. Vitt execs explained the move made economic sense.

GENERAL FOODS, White Plains, N.Y., said it has not had any contact with ITT concerning possible acquisition of that company's Continental Baking Co. subsidiary.

ACCOUNT ACTIVITY: **Charmglow Products** division of Beatrice Foods, Bristol, Wis., moved its estimated $2,000,000-plus account to **Stern Walters/Earle Ludgin**, Chicago, from Creamer Inc. A national tv, radio and print campaign for Charmglow products is planned. . .**WLS-TV**, Chicago, has split with N W Ayer. A selection is expected by April for the $2,000,000 account. . .**CHANGING TIMES** to **Bradley, Dimmock & Hungerford**, New York, for trade advertising and promotion, succeeding Avrett, Free & Fischer. A new campaign will break in the spring.

Kodak debuts new instant

(Continued from Page 3)

picture quality generally associated with instant photography. Kodak also feels that because its flash regenerates in one to two seconds for pictures taken within five feet, its system has gained a leg up on Sun, which takes five seconds.

■ The cheapest of the new Kodak cameras, the Champ, has a list price of $29.95 and no automatic flash. Increasing in price are the 960L, 970L and 980L, which will cost $114.95 and is the first Kodak automatic focus instant. Kodak's new film, $10.95 per pack, has a film speed of ASA 320, faster than before, but not as fast as Polaroid's 600 ASA.

Shipments to dealers will begin April 19, according to Kodak. In May, it will begin what it promises will be its largest ad campaign ever for an instant, up about 35% from current spending. Magician David Copperfield will present the new products in tv commercials by Young & Rubicam themed "Capture all the magic in an instant."

Kodak is keeping mum about the ad budget but is making it very clear that media choices for the rollout go way beyond the company's traditional buys. Kodak—presumably upon the urging of Y&R, one of cable's biggest agency fans—will enter this medium in a big way and will use at least eight cable networks, including ESPN, Cable News Network, WTBS and Black Entertainment Network.

Kodak also will do its normal network push, appearing heavily on prime time and such proven sports bonanzas as All-Star baseball. Daytime will also be used to snag women, whom Richard McCoy, director-advertising and sales promotion, describes as "prime purchasers." Spot tv will also be used in 20 to 23 markets, with b&w and color ads running in a wide variety of national, regional and special interest magazines, plus newspapers.#

Two-way tv screening out the bugs

BY THEODORE J. GAGE

Until a few years ago, the people who spoke of talkback tv as a realistic direct marketing tool got a firsthand sense of how Leonardo da Vinci might have felt when he spoke of flying machines in the 15th Century.

Today, two-way tv, although practical, is still highly experimental. Individuals and companies that fostered the concept a decade or two ago are seeing the affordable, advanced technical equipment coming on the market that will allow them to realize their ideas.

But because there are only a few companies that have endowed their cable systems with the potential to handle viewer response, it is, as yet, too early for anyone to tell whether the home tv and keyboard will become the center for shopping, banking and entertainment. But in certain homes throughout the U.S., it is happening now.

Comp-U-Card of America

Working in conjunction with parent Times Mirror Co., Comp-U-Card, based in Stamford, Conn., has developed one of the nation's most elaborate viewer-response and input cable systems in the country.

With the Comp-U-Card system, a consumer can get facts and details about a wide range of products by using a keyboard to input various product-oriented questions. Ask, for example, about a tv set and the home tv screen will flash an assortment of questions to get more specifics from you. After the central computer gathers all the viewer's specifications, it will present a selection of tv sets that meet those criteria.

Technically, the system approaches what is seen as the ultimate in two-way (or interactive) tv —where the viewer can communicate with the tv almost as if it were a sales person. But the Comp-U-Card system, like all other systems existing today, has some definite drawbacks.

■ In Comp-U-Card's case, the major problem is the lack of a still or moving picture capability. All information consists of text or simple, animated "computer pictures." Consumers cannot see a true-to-life reproduction of the particular tv set he or she may wish to purchase.

"We are installing alpha numeric systems like these but with video capability in stores," said Walter Forbes, chief executive officer of Comp-U-Card of America. "Frankly, to have both, this alpha numeric capacity and the video, demands more technology at a higher cost than people can afford in their homes."

Such systems, however, are coming, he said. While consumers can order directly through their tv sets using Comp-U-Card, Mr. Forbes conceded that they will hesitate to buy certain products they don't have a chance to see. In a great many cases, though, he said people have shown they're willing to order sight unseen as long as they have the facts before them.

If customers decide to order immediately—they don't have to order, but can choose to examine the products only—the system then offers them about 10 different ways to pay for the purchase. Then the material is shipped to the destination of the individual customer's choice. The 50,000 people nationwide who currently have access to the system pay a monthly membership fee for the shop-at-home privilege.

Subscribers can work a setup either through a two-way cable hookup or through telephone lines. Many cable systems, Times Mirror's included, are building all new cable setups with the two-way capability, even if it isn't immediately put to use.

■ There is a dearth of statistics that might show just how popular such two-way systems are with consumers. Comp-U-Card's system was implemented seven years ago and over the past three years has been gaining speed. Nontheless, much of the system is still experimental. But Mr. Forbes doubts there will be anything but growth.

"By 1990, we [the U.S.] could have 20% of all sales done by this electronic method," he predicted. "Interactive cable lets a consumer ask for information and that's something direct mail can never provide. With fewer sales people who know what they're talking about, this system could, in many ways, be more attractive than stores.

"You also have to consider high costs of gas and parking, plus time. But to succeed, the system has to be interactive. Anyone who thinks people will sit in front of a tv while product descriptions and pictures from a Sears catalog roll past is dreaming. Consumers need to get the information on the product wanted quickly."

Qube

If there is any company that has promoted and supported interactive tv with relish, it is Warner Amex Cable Communications, the jointly owned interest of Warner Communications and American Express Co. The company's Qube, most firmly established in Columbus, O., is rapidly improving its interactive services to subscribers in that city and a variety of locations where Qube cable is being installed.

One of the biggest breakthroughs for Qube came recently with a development that allows the viewer to punch in a wider variety of responses than before on a hand-held unit Previously, the viewer had only five response options on the "response panel."

■ Until now, Qube's interactive capability has been especially useful in two ways: Obtaining viewer opinions and offering educational courses.

But with the advent of the new season, Warner Amex can begin to offer services traditionally reserved for stores and direct mail marketers.

Although some of the older Qube systems, especially in Columbus, require telephone lines to complete the two-way linkup, the newer cable systems include two-way capability using tv, not the telephone, a move that should eventually accommodate moving picture capability.

"Marketers can put on shows and display their products, then get immediate response from people in their homes," said Gustave M. Hauser, chairman of Warner Amex. "I'm sure that in time, it will make mailed catalogs obsolete because it's less expensive and commands a faster response." For a while, though, the two will probably work together.

Like Comp-U-Card, the older Qube systems are limited because they depend on phone lines, which cannot transmit visual images, only text and animated pictures.

Mr. Hauser agrees with Mr. Forbes that no one yet knows just how interactive tv will affect consumers and the marketing mix. Mr. Forbes said it is bound to dramatically alter the direct mail catalog business and have some kind of impact on traditional instore shopping. He said that in five years, interactive tv "will be a lot more compelling than direct mail."

■ While Mr. Hauser was cautious about making any predictions, he said the two big advantages interactive tv will enjoy over both direct mail and instore shopping are cost and time savings.

Currently, the biggest obstacle to a real boom in two-way tv, said Mr. Hauser, is the cost of the necessary equipment for inhome use and the need for more cable systems capable of handling two-way audio and visual communication.

To find out just how and where interactive will fit in, Warner Amex is willing to experiment with almost anything.

"Right now, we're not thinking of profitability or success in terms of large viewership for our interactive," said Mr. Hauser. "It's a matter of learning, of seeing how people respond to various offerings. We're finding out what they like and want and what they don't."

Qube hasn't hired market researchers to estimate what will succeed and what will not because only actual experimentation will yield suitable statistics. And Qube, added Mr. Hauser, is not overly concerned at the moment by how many people use the interactive system when it's offered. The company is tracking the responses of those who do.

"Warner exaggerates sometimes when they talk about the response to various interactive shows," said an industry observer. "They may

(Continued on Page S-6)

Theodore J. Gage is an Evanston, Ill.-based business writer who frequently contributes to Section 2.

Videotex/teletext trials and programing (Existing or proposed)

Owner	Name	Media	Subscribers	Format	Location	Date
ABC/CBS/NBC	Captioning for the deaf	Broadcast Tv.	30,000	Tv, VBI	National	1971
Alternate Media Center and PBS	WETA-TV	Broadcast	64	Telidon	Washington	mid-1981
American Telephone & Telegraph	Electronic Yellow Pages	Phone	75		Albany, N.Y.	1979
	Viewtron	Cable Phone	100 64	Viewdata	Coral Gables, Fla.	July 1980 January 1981
	Electronic Information Services	Phone	740		Austin, Tex.	
A. H. Belo	Park Cities	Cable	200	Computer	Dallas	1980
CBS/PBS	KNXT/KCET	Broadcast	100	Antiope	Los Angeles	1981
CompuServ	MicroNet	Phone	10,000	Computer	Columbus	November 1979
Cox Cable	INDAX	Cable	300	TV	San Diego	1981
Dow Jones	News/retrieval	Phone	18,000	Computer	National	1980
	Park Cities—	Cable	200	Computer	Dallas	1980
	Park Cities—	Cable		Antiope	Danbury, Conn.	1981
WFLD/Field Enterprises		Broadcast	100	Ceefax	Washington	1981
Knight-Ridder	Viewtron	Tv Phone	160-Tv 84—phone	Viewdata	Coral Gables, Fla.	July 1980 January 1981
KSL-TV		Broadcast Tv		Teletext	Salt Lake City	June 1978
OCLC	Project 2000	TV Phone	200		Columbus, O.	1980
ProFarmers of America	Instant update	Computer Phone			Cedar Falls, Ia.	1980
Telecomputing Source Teleprompt	The Source	Phone	10,000	Computer	McLean, Va.	June 1979
Time Inc.		Satellite Cable	100 200	Telidon Telidon	Albany, N.Y. Orlando, Fla.	Late 1981 Late 1981
Times Mirror		Cable Phone		Tv	Los Angeles	1981
		Cable Phone	200	Telidon	Los Angeles	1981 Orange County
University of Kentucky	Project Green Thumb	CRT/Phone	200		Kentucky	1980
Warner-Amex	QUBE		10,000	Tv	Columbus, O.	1977

Source: International Resource Development

Interactive tv: Wave of future?

(Continued from Page S-2)
talk about a good response and talk in percentages. What they don't always say is those percentages are sometimes based on 20 or 30 viewers."

Mr. Hauser reiterates that Qube would like to see enthusiastic responses to all two-way offerings.

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The experimental nature of the program assures that some offerings will succeed and some will flop. "It's all part of the learning process we are committed to," he said.

Viewtron

Offered by Viewdata Corp. of America, a subsidiary of Knight-Ridder Newspapers, Viewtron is another home information service giving viewers in selected areas the chance to communicate and retrieve information through their tv sets. For the Viewtron tests in Coral Gables, Fla., American Telephone & Telegraph Co. teamed up with Knight-Ridder. Other companies, including CBS Inc., acted as information providers.

This system uses telephone lines, therefore, also has no moving visual capability. All such systems today, said Morton Goldstrom, marketing director of Viewdata Corp, have visual reproduction "only slightly superior to Legoblocks."

In a limited test, Viewtron offered a variety of informational services using the tv and phone lines, and viewers could respond by using a hand-held device similar to a pocket calculator in conjunction with a keyboard.

With 30 homes at a time being tested, Viewtron services went into 204 strategically chosen Coral Gables homes until the 6-month test ended in September, 1981.

Mr. Goldstrom said Viewdata Corp. officials agreed the testing warranted a bigger program. By 1983, 5,000 homes in south Florida should have Viewtron interactive service. Although primitive in some ways—no sound, stylized graphics instead of moving pictures—the system allowed viewers to call up information from Viewtron's data base, which included the equivalent of about 18,000 pages, or screenfuls, of information ranging from microwaves for sale to instructions on boating safety.

Mr. Goldstrom said that because the audio and visual capabilities of the system were so limited, the fact-providing service had to be fast-paced and interesting. That, and the interactive function, made Viewtron stand out from cable systems that offer rolling text.

"This is information search where you can get exactly what you want immediately," he explained. "You don't have to wade through a mountain of information because you can ask for what you want.

The Viewtron system offered advertising, but it was not of the traditional type. It was fact-packed and informational, much like Qube's concept of the infomercial.

Viewers would not put up with traditional tv commercials, said Mr. Goldstrom, but instead wanted commercial messages that educated and informed.

In fact, he added, Viewtron was more advertising-oriented than any similar system. Advertisers included companies like Eastern Airlines, B. Dalton Co., Sears, Roebuck & Co. and Merrill Lynch.

While it is too early to tell the ramifications of such an information system, Mr. Goldstrom said that it not only could provide a stiff challenge to direct mail marketing, but could become a major source for up-to-the-minute news and information. A major advantage would be that viewers could request news categories or specific stories that interested them.

He said information services will be the most attractive in the short term because of the limitations that exist in transmitting pictures. "Frankly, how many things will you buy without at least being able to see a picture of it?" he asked.

But with test results encouraging enough to prompt the company to launch a more expansive test and to attract the interest of news and information providers like CBS, Dow Jones & Co. and the New York Times Co., Mr. Goldstrom said it looks like Viewtron is on the way to success.

Interactive marketing may be here to stay, and whether such marketing works over the telephone remains to be seen. But Gary Arlen, publisher of "International Videotex Teltext News" and "Teleservices Report", said two-way tv will work. But before it becomes a major marketing force, it must offer full audio and visual to make it attractive to a large number of consumers.#

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U.S.News & World Report
AT&T
The New York Zoological Society
Standard Rate and Data Service, Inc.

Advertisers face buyers' caution

(Continued from Page S-10)

with orders. Telemart received 23,000 orders in two weeks. The issue seems to be "inadequate" technology (and management), not a consumer "aversion" to at-home shopping via interactive systems.

HBR also argues that consumers won't want to give up the "personal touch" of store shopping. But creatives counter by saying that consumers would welcome the change.

Interactive tv would give the ever-larger numbers of working people more time and save them gas money, says Mr. Waites. Emily Soell maintains that an encounter between customer and sales clerks in today's crowded stores is often dishearteningly impersonal, with clerks often underinformed and overworked.

And creatives join together in asserting that the hardware itself won't be a turn-off. Mike Fabian, president of McCann-Erickson March, sees anyone under, say 50, as "untraumatized by technology" and welcoming it.

Ms. Soell comments that everybody has a calculator these days, and electronic games have "caught on like wildfire."

■ Although most agency creatives see the new two-way electronics as having great potential as selling tools, they also agree that certain problems must be overcome before the consumer will be equally enthusiastic.

"A basic problem, especially compared with regular tv, is that text and primitive graphics are currently all that can be displayed," says Mr. Waites.

"Tv today communicates in an emotional way; this is not available in videotex or viewdata." Until picture relay improves, the "critical areas" of creative response, says Mr. Waites, will be: To make selection from the information "menu" simpler, more direct and more responsive, and to make "key words" (meant to call up information) more evocative and appropriate.

■ Creatives can use their experience in personalizing to transform these "electronic laundry lists" into products and services that meet somebody's needs.

"There are real challenges there," says Mr. Kobs, who shares Mr. Waites' concern over the lack of powerful graphics. He calls the present system a kind of electronic classified advertising; "You wouldn't buy a dress from the viewdata system; you'd have to see it first.

Tv's obvious advantage is its demonstrability," he says.

But Mr. Kobs does see a promising way to get the selling message across despite present-day limitations. He and Mr. Beauchamp both cite the "infomercial" as providing cable entertainment—a potential advertiser's dream.

This one-half hour format would consist entirely of selling time—through entertainment and product information, as well as the marketers' commercial message. Explains Mr. Kobs: "The viewer would object to a one-half hour commercial, but if he's interested in the subject of say, cake decorating or woodworking, he wouldn't object to a program on these." The idea is to entertain.

Interactive systems test results seem promising. In September, Viewdata Corp. of America (a subsidiary of Knight-Ridder) wrapped up a study begun in July, 1980, in more than 200 Coral Gables, Fla., homes.

■ "Results were overwhelmingly favorable," says marketing director Mort Goldstrom. "Usage was very high, and in follow-up interviews consumers said they liked the service and would pay for it."

He adds carefully that "there's no indication that it's viable, but no indication that it isn't."

Knight-Ridder, Affiliated Publications and Capital Cities Communications are targeting a joint launch in 1983 of a paid-service videotex product in Florida.

Bruce Sanderson, vp-business development for Cox Cable's Indax, predicts "widespread acceptance" of interactive cable by 1983 or 1985, while cautioning that exact predictions are difficult because there's no precedent for the service. All Indax systems are "in the testing mode now" and users are not charged. The system will be commercially available in Omaha, Neb., in the first quarter of 1982. Other systems will follow "shortly thereafter," says Mr. Sanderson.

Predicting the future has always been risky. And if past "predictions" are as correct as they turned out to be, the new media have a sterling future:

"If God had intended that man should fly, He would have given him wings . . . the airship business is a 'fake' . . . ."

—Rear Admiral George W. Melville, Chief Engineer of U.S. Navy, 1901

"The ordinary 'horseless carriage' . . . will never, of course, come into as common use as the bicycle."

***—Literary Digest* Oct. 14, 1899#**

Sales volume of leading direct marketers, 1981

(Estimated figures)

Company	Sales volume (in millions)
Sears, Roebuck & Co.	$1,646
J.C. Penney Co.	1,537
Montgomery Ward & Co. (Mobil)	1,231
Time Life Books	400
Spiegel (Otto Versand)	387
Franklin Mint Corp.	375
Fingerhut Corp. (American Can Co.)	300
Ardens (Wickes Corp.)	260
Signature Financial Marketing (Wards)	200
Columbia Record Club	195
Publishers Clearing House	170
American Express Co.	140
Grolier	135
L.L. Bean	132
Heath Co. (Zenith Corp.)	115
Avon Fashions	100
RCA Music Service	100
Herrschner, Brookstone & Joseph Bank (Quaker Oats)	100
Hanover House Industries	100
Spencer Gifts (MCA)	85
Current Inc. (Looart)	70
Dreyfus Corp.	60
Book-of-the-Month Club (Time Inc.)	60
Swiss Colony	53
Roaman's	50
Eddie Bauer (General Mills)	43
Miles Kimball	40
Lillian Vernon Corp.	40
Horchow	40
Lee Wards (General Mills)	35
Figi's (American Can Co.)	35
Harry & David	35

Source: Direct Mail/Marketing Assn.

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Fast growth sends admen on talent hunt

BY WILLIAM GLASS

The direct marketing agency has made a recent and dramatic arrival on Madison Avenue. Since 1979, Benton & Bowles, Grey Advertising, Ted Bates & Co., J. Walter Thompson USA, Doremus & Co., McCaffrey & McCall and McCann-Erickson have all entered the field with divisions or subsidiaries.

The less recent acquisitions (or creations) of direct marketing arms by Young & Rubicam Co. (Wunderman, Ricotta & Kline, Stone & Adler, Chapman Direct); Doyle Dane Bernbach (Rapp & Collins); Ogilvy & Mather (Ogilvy & Mather Direct Response), and Compton (Compton Direct Marketing) have all occurred since 1970.

Such explosive growth has created a demand for talent that far outstrips the supply. On the one hand, this means that career opportunities in direct marketing are extraordinary. As Gary Andrews, director of client services with Wunderman, Ricotta & Kline, puts it: "The opportunity in a direct marketing agency is one light year ahead of the opportunity in a general agency, any way you want to cut it; financially, power base, eventual responsibility or potential."

On the other hand, it means that any agency not wishing to suffer because of inadequate staff had better plan for the future.

One of the reasons for the talent shortage is, of course, the rapid growth of direct marketing.

Why has this growth occurred? The reasons usually given fall into three categories. The first includes changing social conditions: The growing number of women in the work force; rude or incompetant sales people; safety; access to a wide variety of products through direct marketing, and the cost of gasoline.

■ The second group concerns the increasing attractiveness of direct marketing to the advertiser. The No. 1 reason is that because the number of sales resulting from a given direct marketing piece can be figured out, the advertiser can ascertain the exact contribution to profit made by each advertising dollar. Direct response advertising is growing because the rising costs of sales calls make the ability to qualify leads increasingly valuable.

The third reason for direct marketing's growth is probably the most important: The movement from mass marketing to targeted marketing. At the heart of the trend is the computer and its ability to process an enormous quantity of data quickly and cheaply. This permits the advertiser to develop products for and distribute products to narrowly targeted market segments.

Direct mail and special interest magazines traditionally have been the obvious media to reach such audiences. Cable tv, however, promises to bring narrowly targeted offers to the broadcast media. With cable operators talking about having the capacities of an extraordinary number of channels, it is reasonable to imagine the evolution of tv designed for mass audiences into tv designed for special audiences. This would parallel the breakup of mass magazines into special interest publications.

■ And what in particular is causing the growth of the direct marketing agencies? Two reasons are generally given. The first is the entry into the field of nontraditional direct marketers such as Procter & Gamble, Digital Equipment Corp. and the Marine Midland Bank.

The second reason for agency growth is the discovery of tv as an effective direct response medium for a wider variety of products than anyone had ever dreamed.

In 1973, for example, Wunderman, Ricotta & Kline billed under $3,000,000 in tv. In 1981 it billed more than $50,000,000.

■ The changes of the past few years all demand new skills and new styles from those who create the strategies, campaigns and ads.

Account managers, for one, must combine a knowledge of direct marketing with a knowledge of strategic market planning. Says Ed Nash, exec vp of Rapp & Collins, whose book "Direct Marketing" was recently published by McGraw-Hill, "Today there is room—even a demand—for individuals with some kind of package goods background but with talent and a genuine interest in direct marketing. This stems from the increasing need to communicate with clients that are primarily package good companies."

Bill Morissey, exec vp of Ogilvy & Mather Direct Response, distinguishes the new direct marketing person from the old by his concern for positioning and brand image. Account management must now concern itself with broadcast. Even the corporate style that is the hallmark of the large general agency is, more and more, becoming a requirement of the direct marketing agency.

This is not to say that there are no differences between direct marketing and general advertising. As Mike Slosberg, president of Wunderman, Ricotta & Kline, has observed: "The account executive at

(Continued on Page S-16)

To cope with the talent shortage agencies have been forced to recruit from the limited supply of direct marketing professionals, both on the agency and the client side.

William Glass is managing director of the direct marketing division of Rex Associates, New York, an executive search company specializing in advertising and marketing.

Gross billings of top direct marketing agencies (Total in millions)

Agency	Billings 1980	1981
Wunderman, Ricotta & Kline	$ 98.7	$ 109.5
Ogilvy & Mather Direct	38.7	55.6
Stone & Adler	30.5	38.7
Rapp & Collins	27.4	36.5
Compton Direct Marketing	20.0	23.5
Smith, Hemmings, Gosden	20.9	22.7
Kobs & Brady Advertising	18.7	21.5
DR Group	14.6	20.5
Soskin/Thompson	9.8	19.6
Chapman DM	12.8	18.5
Ayer Direct	9.3	17.7
MARCOA	12.0	13.0
Grey Direct	7.2	11.2
Ketchum, MacLeod & Grove	5.0	7.0
Throckmorton/Zolfo	3.5	4.5
J.W. Prendergast	2.8	3.2

Note: List is not comprehensive; several large agencies did not release data.
Source: Direct Mail/Marketing Assn.

Amazing!

See page S11

PORTRAIT OF A DIRECT MARKETING EXPERT.

"As a direct marketing firm, we help our clients translate their objectives in terms of a direct marketing strategy. And we do a lot of work in the dealer direct mail area where national distribution is aimed at business prospects.

Part of our job is to evaluate and recommend mailing lists to our clients. In a dealer direct mail program, you need to provide good coverage in every market. We are able, via NBL, to always provide a good list no matter what the market is. Furthermore, NBL probably has the most accurate and up-to-date list for any given geographic market.

"When we want full national coverage and good current lists, NBL usually ends up being the best choice."

We used NBL for a builder supplier (distributor) mailing program at Frigidaire. And we mailed to 92,000 prospects three times to achieve market penetration. According to the Housing and Industry Sales Division, they had over 10,000 customer inquiries. So we had an accumulative response rate in excess of 10% and an average response rate of 3.3%.

We've also used NBL for Litton Microwave Cooking, Toshiba America, and Wickes Corporation.

When we want full national coverage and good current lists for a dealer direct mail program, NBL usually ends up being the best choice. And we back that up with the fact that we've had continued good experience using NBL lists."

Mark Morris, Chief Executive of Mark Morris & Company, Inc., a direct marketing firm.

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FOLLOW THE LEADER.

Talent shuffle

(Continued from Page S-13)

WRK is probably more deeply involved in the profit responsibility of his client than a management supervisor in a general agency because profit and accountability are the business they are in. They are working hand in glove with their client to get a bottom line."

This means that an individual in the field must *want* to be judged by results. As Jim Stetler, exec vp of WRK notes, everyone might not enjoy "having the calipers applied each week."

The same is true in creative. A subjective response or even a Burke score is less interesting than whether or not the ad pulled. A creative person must be prepared for a straightforward presentation's out-pulling a more "imaginative" one.

To cope with the talent shortage, agencies have been forced to recruit from the limited supply of direct marketing professionals, both on the agency and the client side. The result has been a bidding war, and a realignment of salaries.

■ Eighteen months ago direct marketing personnel lagged behind their general agency counterparts in earnings. Now they often earn more. Direct marketing agencies also promote quickly—as soon as competence is demonstrated. But direct marketers alone have not been able to supply the needs of the direct marketing agencies, and the latter have been courting the general agencies in order to find talent.

Although by nature this results in something of a compromise, it also can be mutually beneficial. For example, general agency account people bring experience in strategic planning, and the agency creative people bring experience with tv.

In fact, the near impossibility of finding talented men and women with specific experience has led Wunderman, Ricotta & Kline—for one—to focus primarily on pure talent.

What has actually happened, however, is a readjustment of qualifications needed because of the dearth of the specific direct marketing skills available. In fact, the near impossibility of finding talented men and women with highly specific experience has led WRK—for one—to focus primarily on pure talent.

The agency's Mr. Stetler, compares the search for direct marketing talent to the professional football teams entering the college draft looking not to fill a specific position but for the best available athlete.

■ Inevitably, faced with people whose experience is incomplete, agencies are developing training programs to help fill in the pieces. Ogilvy & Mather Direct Response already has a training program for account execs and now is developing one at the supervisory level. George Wiedemann, president of Grey Direct, has developed the Career Development Program for the Direct Mail/Marketing Assn. and uses it in his own agency.

WRK is putting together a variety of programs relating to staff development. So is Benton & Bowles Direct and Stone & Adler.

In addition to programs developed by the agencies themselves, the DMMA has put together a number of introductory and advanced instructional programs.

The demand for the programs, which are supported in large part by course fees, can be measured by the growth of departmental budget. Dante Zacavish, senior vp of the DMMA, reports that in 1978 the total program budget was about $160,000. Today, it is close to $900,000.

■ Long term, the problems of obtaining personnel are two-fold: Lack of entry-level positions and lack of education (both in teaching the new skills necessary and making the availability of direct marketing positions known through educational institutions.)

As to the first, direct marketing companies traditionally have regarded themselves as entrepreneurial operations and have had little interest in staff development. Therefore, there has been no normal recruiting at the entry level.

This is changing slowly as agencies are coming to realize the seriousness of the deepening shortage and as they pass on this concern to those with the power to do something about it.

Education is the second large concern. Those in the industry constantly talk about the need for the industry to publicize itself. The DMMA Educational Foundation, headed by Dick Montesi, runs two programs designed to address this concern.

The DMMA Educational Foundation has developed a number of successful programs to reach the university student. The best known is the Collegiate Institute, offered twice annually, in which 35 carefully selected college seniors spend a week in seminars exploring the various facets of direct marketing.

Companies interested in recruiting at the entry level are invited to interview them. About 35% to 40% of the attendees find work in direct marketing, and the foundation boasts a list of some 125 professionals who are recent Institute graduates. The foundation also sponsors an eight-week summer internship for racial minorities. Of the 15 students who interned, three were offered permanent positions immediately and others were invited to interview after they completed school.

■ The No. 1 priority of the foundation is to increase the number of direct marketing courses taught in universities.

To this end the foundation has created "Professor Institutes," which bring together a group of 35 professors for three or four days to learn direct marketing. The first institute, held in Chicago last May, resulted in the addition of eight direct marketing courses to college curriculums.

The results of the second istitute —held this past November—are not yet in.

If both it and the two planned for 1982 succeed, they could be the single most important thing being done to assure a steady flow of fresh blood into the industry.

Despite growing pains, the direct marketing industry—and the agency business in particular—will continue its rapid expansion.

Managing the growth will be a difficult and delicate task, but how it is handled will determine which agencies are the most successful.

For some years to come, the critical challenge will be to identify and develop the brains and talent required.#

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SPECIALISTS IN CREATIVE LASER IMAGING

Rodale

(Continued from Page S-35)

"natural" world in general were the best means to health, happiness and longevity. Those are the themes that make up a large part of the *raison d'etre* for all Rodale publications and that served the company's founder until his death at age 72 in 1971.

Both *Organic Farming and Gardening* and *Prevention* became successful and paved the way for more success.

Organic Gardening (as it is now called) currently has a subscription base of some 1,250,000; *Prevention*, some 2,750,000.

The two have been joined by *The New Farm* (an offshoot of *Organic Farming and Gardening*), *Bicycling* and *New Shelter*, which have 100,000, 200,000, and 625,000 subscribers respectively. The company also publishes the "Executive Fitness Newsletter", which goes to 70,000 subscribers. Rodale's magazine business is nearly 100% subscription, although the company is in the midst of an expanded single-copy sales program.

Rodale also spreads its philosophy via Rodale Press Books, which publishes approximately 30 new volumes a year and lists some 160 titles.

In addition, Rodale has made the plunge into cable tv programing with its eight-part "Home Dynamics" series, introduced last fall in Providence, R.I. A second series is in the works.

The company is not a stranger to tv. It began using tv direct response ads for *Prevention* eight years ago, launched New Shelter with tv direct and at the time of this writing was in Florida shooting shots for the kick-off of Spring, the new women's magazine Rodale plans to introduce in April. All of the Pennsylvania publisher's tv spots include the use of 800 dialing. Plant expansion and computerization have kept pace with all of this growth.

■ Rodale handles all of its customer transactions—some 6,000,000 annually—in its 43,000 sq. ft., solar-heated Operations Center. Five years ago, the company made the conversion from manual to computer systems when it began using scannable documents for invoices and early renewal efforts. Rodale also uses its inhouse computer ability to run regression analysis and other multivariate systems to find and mail to the most responsive segments of its house lists. It is also testing this analysis on outside lists.

Yet despite the modernization and growth that has turned Rodale from a small, alternative curiosity into a major publisher that logged $100,000,000 in sales during its Aug. 1, 1980-July 31, 1981, fiscal year, the company is still frequently thought of as a small, family business where people work at rolltop desks and live in communes, Mr. Teufel cheerfully acknowledges.

The Rodale Press president figures one reason customers feel that way is that they know Rodale researchers generate a lot of the material that appears in the company's publications.

For example, "Fitness House," Rodale's executive dining quarters, started out as the test kitchen for the recipes that appear in its books and magazines. And, in addition to a small experimental garden on the nearby Rodale homestead, the company operates a 305-acre Organic Gardening and Farming Research Center in Maxatawny, Pa., where researchers develop new farming methods, foods and food technology and animal and plant breeding programs geared toward discovering new, low-energy resources.

■ On top of that, says Mr. Teufel, many Rodale employes, including board chairman Robert Rodale, J.I.'s son, actually live the Rodale life.

"People know we're involved in research as well as publishing," Mr. Teufel says. "And we know people depend on the information we print, so we take great care to doublecheck every fact, test every product and recipe we develop and make certain that all of our endeavors contribute to society. For us, this comes naturally, because most of the Rodale family of employes are actively involved in the way of life we write about. We all have a personal stake in our ideas."

What this means, adds Mr. Teufel, is that Rodale's sense of "mission" makes the company "more than a business."

In fact, even the almighty advertising dollar has failed to crack the Rodale way in some cases.

In spite of a move to attract mainstream advertisers in recent years, Rodale will not accept ads for any commercially prepared foods, alcoholic beverages or cigarets. The company also turns its back on certain other commercial items, including some household appliances and toiletries it believes do more harm than good.

If anything, Mr. Teufel says, technology has only helped Rodale maintain the personal ambiance it shares with its customers.

—*M.McC.E.*

Cable services and shopping on catalog programs (Existing or proposed)

Owner	Show	Equipment	Subscribers	Format	Location
Times-Mirror Satellite Programing/CompuCard	Home Shopping Channel	Six pilot systems		Half-hour comparison shopping program. $18 subscriber fee. Times-Mirror/CompuCard gets 3% to 5% commission on products sold.	Louisville, Ky. Hartford, Conn. Orange City, Cal. Springfield, Ill. Newark, O.
Modern Satellite Cable Systems with Washburn & Associates	Home Shopping Show	Cable (MSN)	465 cable systems	Tuesday afternoon shopping demo. Advertisers pay for program. 800 telphone used.	All over U.S.
Teleconcepts	Shoppers Magazine	Manhattan Cable	Testing	Half-hour catalog shopping	New York
North American Videotime	Catalog and shopping programs	Satellite Programming Network (SPN)	1982 proposed 900,000 subscribers	Similar to Home Shopping Show.	All over U.S.
American National Cable Communications	Consumers Direct Catalog Showroom (Video Shopper)	Access station	200,000		Long Island Westchester Northern New Jersey
HomeServ	Catalog Shopping show	Cox Cable (INDAX)	212,000		San Diego

Source: International Resource Development

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spend more of their precious, expensive selling time in front of prospects who have already expressed an interest in buying . . . how they spend less time on costly, inefficient cold calling. Find out why they willingly pay for all or share the costs of the program.

How to make more sales calls per gallon.

Qualified sales leads can be the fuel that energizes a sales force. As the costs of traditional selling continue to increase, the trend toward direct marketing grows. A cooperative direct marketing program means more time with qualified prospects . . . more calls on new prospects who are ready to buy . . . more sales calls per gallon.

How to find more prospects per mile.

Learn how we help our clients' distributors, dealers and salesmen

How to get more sales per dollar.

Discover how we can help you reduce your selling costs . . . increase your sales and market share . . . without eroding your advertising budget. Place the burden of proof on us. Clip this ad, attach your business card and mail. Or call (612) 872-1616 and ask for a copy of our folder "You've been doing it . . ." Learn how a cooperative direct marketing program can get results for you. Do it now.

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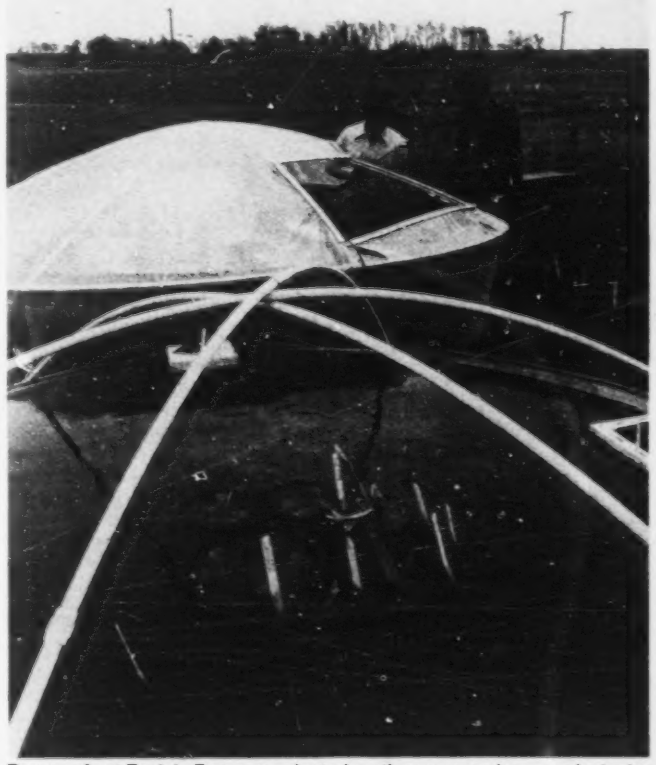


Research at Rodale Press, conducted on the company's grounds, looks at various methods of organic farming, including aquaculture.

OUT or IN, dialing delivers dollars

BY GARY WEST

The Dreyfus lion stalks out of a subway exit and prowls Wall St. while an off-screen voice intones the virtues of mutual funds. An 800 number holds on the screen and throughout America thousands of hands reach for the convenience of their telephone to respond.

Every minute, during the peak month of January, approximately 700 people are dialing an 800 number in response to a tv commercial to order products or request information. But tv direct response constitutes only a fraction of the entire 800 toll-free industry, which American Telephone & Telegraph Co. estimates will make or take 1.6 billion calls in 1981, about 22% over 1980. And the telemarketing industry as a whole is so large that $9.845 billion was spent last year just on the cost of telephone calls, exclusive of labor, media buys or profit.

As immense as these figures are, there is currently no way to fully conceive of the total size of the industry.

Previously the bargain basement of advertising, telemarketing in the last five years has attracted, in addition to Dreyfus Fund, such well known national names as Brown & Williamson Tobacco Co., Time-Life, *Wall Street Journal*, Citicorp and Ford Motor Co.

■ For many people in the traditional ad community, however, there is still quite a bit of confusion as to what telemarketing is, what it can do and where it is positioned in the total marketing picture.

Telemarketing, generically, describes a system of placing or receiving telephone calls to capture orders, generate leads or provide services to existing customers through a scripted message; the purpose is to make or increase sales in a measurable and cost-effective manner. There are two methods used to achieve these purposes: IN WATS (Wide Area Telecommunications System) and OUT WATS.

IN WATS uses the familiar 800 toll-free number to receive order calls from direct response ad campaigns, mail order ads and direct mail. It also collects self-qualified leads (in which a person, answering an 800 number, identifies certain characteristics about him or herself) for future information, brochures and sales calls from consumers and business people.

IN WATS is performed both inhouse and by toll-free answering services; the choice depends on the volume and duration of the campaign and the amount of interaction between operator and caller.

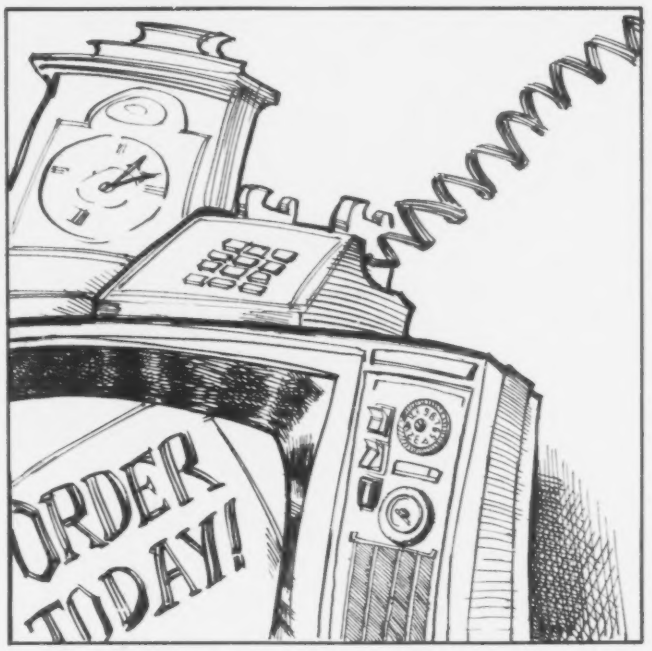
OUT WATS makes sales and research calls, primarily, but not exclusively, on WATS lines to consumers and business contacts to sell products, service accounts and develop leads.

Once again, this is handled both inhouse and through service companies.

■ The telemarketing industry serves eight basic functions: It provides for order capture and lead generation; provides for direct sales and lead generation (OUT WATS); receives calls for such institutions as Runaway Hotlines, Medical Information (IN WATS), and receives orders for catalogs and dealer locator programs (IN WATS), although increasingly it is used as OUT WATS to follow up direct mailings for such companies as Montgomery Ward & Co. and Bloomingdale's.

It also provides for hotel, car and airline reservations (IN WATS); credit card authorizations (IN WATS), and promotion, sweepstakes and product information (IN WATS). It also helps in product introduction.

Possibly the most exciting growth areas are order capture and lead generation, OUT WATS sales and research and product introduction.



In order capture and lead generation, the consumer is prompted by tv, print or radio advertising—along with direct mail—to call an 800 toll-free number at the instant of motivation to order the advertised product or to ask for more information. Operators capture the order for cash on delivery or credit card sale or obtain needed demographic information to qualify the lead.

In some cases, the operator verifies the credit card number, compares the address to the Zip code to prevent errors or "upsells" the caller by making suggestions for multiple orders, increased length subscriptions or the like. Increasingly, the toll-free service company is being required to process the data and deliver the information to the client through daily electronic transmission.

■ Why are order capture and lead generation such growth areas?

Inflation has increased pressure on marketers to make their advertising results measurable; what better way than a medium where, at the end of the day, you know how many *actual* orders you have taken, on specifically which stations and for an exact amount of money per order?

Also, media buyers can now obtain extraordinary research data on the type of audiences, the amount of appeal and viability of different media sources—all at little or no cost as part of the order capture.

Moreover, the marketplace is different. Two paycheck families may have more money but less time to spend it; they understand product value more and enjoy the convenience, speed and use of credit cards. They are becoming more accustomed to telephone sales. Many enjoy the personal contact of a voice at the other end of the phone.

■ As direct response has shown itself to be quite cost-effective in selling products, its value as a source of self-qualified leads has opened the market to mutual fund sales, banks, gym equipment, regional travel authorities, and insurance companies that earlier had shunned the field. (A self-qualified lead refers to a person responding to a toll-free number for more information, for, say, energy saving devices. By responding to the ad, the person automatically identifies himself as being interested in the product and possibly being in the market in the future for something similar.)

Rather than randomly mail to potential consumers, a lead generation campaign that offers free information can yield both valuable demographic data and an avenue for sales of high priced items. For example, the Texas Tourism Office found that while 52% of coupon clippers who asked for a guide to the state visited the area, 63% of those who called for information left their vacation dollars in the Lone Star State.

The bottom-line is cost per order acquisition (CPOA). Such a figure can be determined by dividing the sum of the costs that go to make a sale—commercial products time buys, toll-free answering service, fulfillment—by the actual number of orders. It isn't the cost per thousand but the CPOA that determines the success of a direct response campaign.

Often a service company, through its ability to take more accurate and a larger number of calls per hour, can make the crucial difference. Its ability to "upsell" the

(Continued on Page S-41)

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AA 152

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• Here's what TCMA will do for you as a member

TCMA represents 600 companies and charitable organizations who use third class mail. Our counsel, ex-Postmaster General J. Edward Day and our Executive Director, William G. Mullen, will represent you in Washington. Regular TCMA bulletins and letters give you an inside track on postal developments—allow time for you to take steps to save your company money.

• Why should you join TCMA now?

Because tomorrow may be too late. Right now, moves are under way to raise rates and change postal classifications—moves that vitally affect your company! Your help is needed NOW.

• How do you join TCMA?

Easy. Send in the coupon below and full details on a special introductory membership rate will be sent to you.

• EXTRA FEATURE with your membership

With your membership information, we will include the latest TCMA bulletin, bringing you up to date on postal affairs in Washington.

TCMA THIRD CLASS MAIL ASSOCIATION

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☐ YES, send me details on the special introductory membership for TCMA.

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TITLE_____
COMPANY_____
STREET_____
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STATE_____
ZIP_____

Dial power

(Continued from Page S-39)

caller also helps. If other costs are the same, more orders means a lower cost per order acquisition.

Still, the increased volume in tv direct response has created some problems. Inflation and demand have raised spot costs dramatically, although insurance companies and merchandisers of expensive items are willing to pay more for lead generation programs since their payback has been much higher through the years.

■ Says John Marsh, president of RM Marketing, King of Prussia, Pa., one of the largest buyers of direct response tv time in the U.S.: "Five years ago, this was an easy field to enter. Today, it's harder for new players to purchase the needed time; media sales reps know the market and have established relationships to whom they can sell most of their time. Consequently, it's a higher risk game now for new companies using television direct response."

The future may be even more spectacular, as technology makes the almost impossible real. For example, WATS Marketing of America and National Data Corp. soon will be able to directly authorize the use of credit cards. Someone ordering a product would at the moment a call is made have the funds taken from his account and placed into the advertiser's.

Also, combined time share computer systems will allow direct marketers companies to control their inventories directly from the orders taken by the service companies.

Through computer software, order taking speed will increase radically; a drop of only four seconds on a one-minute order capture would result in a sales increase of 6.7% at no extra labor cost.

By this spring, computers are expected to automatically compare the given address to the Zip code stored in memory and tell the operator if there is an error in the order. Soon, they may be able to compare both items against a stored telephone number, allowing almost foolproof ordering.

George Smith, director of marketing with Avis toll-free services, predicts greatly enhanced 800 service to Canada and Mexico; he also sees a shakedown from the current 25 national service companies to 10 in the coming years. "The industry will be stronger and the quality higher as the demand for responsible order capture forces the less mature companies out of the business," he says.

■ One other area of great interest lately has been OUT WATS sales and research. Today, OUT WATS constitutes less than 10% of the telemarketing industry; it could reach the size of IN WATS in the next decade. The factors for its rise are, once again, economic.

In the last decade, the cost of a sales call and the cost of bulk rate mail both increased by 70%, with first class itself going up by 55%. According to some observers, a single sales call costs nearly $200, with 4.3 sales visits necessary to close a single industrial sale. Add to that equation the results of research concluding that OUT WATS telemarketing, combined with direct mail, yields 2.5 to 7 times the positive response of mail alone, and the conclusion is that telemarketing must be tried.

OUT WATS marketers agree that there are enormous opportunities in the future for them; they do not all agree where that future is. Ernan Roman, vp, business development for Campaign Communications, anticipates that interactive systems, including teletext and viewdata will be a viable force in the 1990s, if the consumer acceptance and cost factors are successfully resolved.

Another possible trend being sparked by AT&T is the perception of telemarketing as a medium, rather than as a service. James Mahood, brand manager of AT&T Long Lines, sees business to business OUT WATS as performing many of the same functions as traditional advertising—creating brand loyalty and identification, stimulating demand and trial and selling against competition. "Telemarketing's lcountability, cost-effectiveness and functions make it a media cost, part of an integrated campaign to raise awareness and sales."

Meanwhile, product introductions through telemarketing is one of the most exciting trends to appear recently.

Telephone expenditures for telemarketing

(Estimated figures)

	(In millions) 1980	1976
Residential originated local calls	$ 569	$ 232
Residential originated toll calls	689	269
Business originated local calls	4,144	3,045
Business originated toll, WATS, 800 calls	4,443	2,502
Total	9,845	6,048

Statistics were prepared by James M. Mahood, brand manager-telemarketing, AT&T Long Lines. The figures were published recently in the "DMMA Fact Book on Direct Marketing."

Because product trial and repeat sales are the keys to the establishment of new brands, it is crucial in today's competitive environment, to get a product into a consumer's hands as quickly and as positively as possible.

A good example is Brown & Williamson's introduction of Barclay cigarets in early 1981. After testing in three markets, B&W rolled out a national campaign that promoted the brand with a strong, simple appeal: "The pleasure is back."

Rather than just spotlight the brand's appeal, additional double full-page spreads encouraged the readers to call a toll-free number for a coupon worth a free carton of Barclay.

According to published reports, Barclay has achieved close to two market share points in an industry where one point is a remarkable success for a newly introduced brand.#

Why would any New Yorker in his right mind use a list broker in California?

Mr. Larry Chait, past president of Direct Mail Marketing Association. An Infomat customer and a New Yorker who is definitely in his right mind.

By count most of the nation's major list houses are in the East. Manhattan alone has enough brokers to bury every mailbox in America under a pile of mail three feet deep.

If that's the case, then why are major clients defecting in flocks to Infomat? Why are they coming 3,000 miles to rent our lists when they can get the same names at the same price from someone down the street?

After all, tradition has it that if you want good list service and good advertising, you go to New York. California has always been the graveyard of ambitious list brokers. No one had ever grown very big out there. Until Infomat came along, that is.

We Changed It All

Infomat has changed that. Not only are we No. 1 in the West, in growth rate we're probably No. 1 nationally, too, having more than doubled in volume in each recent year. In fact, over 60 major ad agencies and ten direct mail consulting firms have come to us for their list mix. Many of our clients—manufacturers, publishers and fund raisers—are so loyal you couldn't pry them away from us with a crowbar.

Our Secret

There's one good reason why New Yorkers and other Easterners are beating a 3,000 mile path to our door: *money.*

We produce exceptional results for them because our list mixes pull better. This may sound like puffery, but in our case it's gospel.

There are other reasons, too:

1. We're very, very cautious. We select mailing lists with the kind of care ordinarily reserved for tiptoeing through minefields. You needn't worry about getting a careless choice.
2. Our decisions are based on careful record keeping. Sad to say, only a handful of the country's 126 brokers do the sort of research that Infomat does.
3. As an Infomat client, you can afford to forget about your list worries once you've hired us. Our total, conscientious care frees you to think about other things.
4. We don't pay our list AE's commissions, which discourages careless choices. Some of our largest competitors do.
5. We're list *consultants,* not list peddlers. We work just as hard to find ways to save you money as you would yourself. For instance, we constantly look for opportunities to do special selections or locate obscure lists.
6. No matter where you are in the U.S., you get the most personal, friendly service you ever had. Just like you lived next door to us.

Success Stories

Relying heavily on Infomat's list selections, an expensive investment newsletter went from zero to 72,000 paid subscriptions in only 21 months.

A West Coast non-profit group consistently gets twice as good a response with Infomat's lists than from any other consultant. For two months, its staff literally could not handle the contriioutions that came in.

An expensive mail order product went from zero to 60,000 units sold in only 18 months using Infomat's list selections.

A very expensive opportunity seekers' publication, using Infomat list selections, went from 1,000 to 48,000 subscriptions.

A $400 seminar had to turn away over 200 people because of too much response!

We introduced a product from South Africa into the U.S. Even with a price tag twice as high as the competition, in less than two months the promotion surpassed the initial response goal by 210%.

The test mailing for another happy client broke even in just 2½ weeks from the mail date, and had paid back all creative and production costs and produced a 400% profit on the initial investment by the eighth week. Subsequent rollouts did almost as well.

The Zipmarket Principle

We have been able to build booming businesses for one customer after another for one main reason: we understand better than most the basic law of direct mail. We call it the Zipmarket Principle. Briefly, it is this:

"Good lists beat good packages."

More specifically:

Even the most brilliant package will fail if mailed to poor lists, but any decent package will pull well if mailed to quality lists.

We call it the Zipmarket Principle because the more you ignore it, the faster your share of the market approaches "zip."

If you have ever used direct mail and got weak results, chances are it was your list mix that was at fault. We know of hundreds of mailers who struggle on year after year, testing mail package after mail package, spending thousands of dollars on mailings that only break even, at best.

They are ignoring the fact that no package is going to change a person's mind if he's just plain not interested in responding to anything in the mail. But if a person *likes* to buy through the mails and has *proven* it by buying other things, he'll probably respond to you, too—even if you send him just an average package.

We hasten to add the obvious corollary to the Zipmarket Principle:

"Good packages help."

That's why Infomat is one of the few list brokers with an in-house creative agency, Infomat Marketing. Specializing in high-response direct mail, it offers you full-service, state-of-the-art package design, printing and lettershop.

How good is Infomat Marketing? Well, it produced this ad. Judge for yourself.

What They Are Saying

"Your ideas increased my response by about 50%." —**Murray Norris**

"What am I going to do with all these checks?" —**Ed Rankin**

"If it hadn't been for your lists I don't believe we would have even broken even." —**M.S., Atlanta, GA**

"Your list selections have produced thousands of dollars of additional income for my clients. Even their test mailings make money when they follow Infomat's advice. You're the best." —**M.E., Marketing Consultant**

"I've been using Infomat for 3 years—I'm extremely pleased. Our circulation for *Gold Newsletter* is constantly increased—thanks to Infomat." —**James U. Blanchard III, National Committee for Monetary Research**

Discover Infomat Now

If you're really serious about getting higher response and opening up new markets for yourself, pick up the phone and call Janie Thompson or Anna Sternberg:

(213) 377-0444
(collect is fine)

Tell them what you've been doing and what your goals are. They'll tell you how we can get to your goals. They'll send you all our mailing list bulletins related to your firm.

If you like, you can send them a sample of your more recent mail package and, at no charge, our creative agency, Infomat Marketing, will analyze it for effectiveness.

Then they'll dig and dig through the 40,000 lists on the market until they find the ones that you'll be delighted with. They will include lists that you may not have heard about or thought of. And in a few days they'll recommend a specific list mix for you based on a careful analysis of your needs—with no obligation.

Call them at Infomat, today. It won't cost you a cent. And you could add a new chapter to your company's history.

Very truly yours,
Craig A. Huey
Craig A. Huey
President

Infomat Inc.
708 Silver Spur Road, Box 2100
Rolling Hills Estates, CA 90274
(213) 377-0444

P.S. We also serve a few Westerners now and then. Plus people in Hong Kong, Europe and South Africa!

DIRECT MARKETING

A conversation with DMMA's Rose Harper

BY BOB STONE

"C. Rose Harper, president, The Kleid Co., is the first woman to be elected chairman of the Direct Mail/Marketing Assn." These are the bare facts as they might appear in a current issue of "Who's Who."

But Rose Harper is much more than the president of one of the most professional list marketing consulting companies in the country and the chairman of a major association. Rose Harper is one of the most knowledgeable figures in direct marketing, recognized for her innovations and breakthroughs in the area of list marketing and analysis.

In an interview for ADVERTISING AGE I was able to take some of the measure of this unique person's wisdom and knowledge.

Stone: Please tell us something about DMMA membership.

Harper: Today DMMA has 2,700 member companies, represented by 4,600 individuals. We estimate that this membership accounts for anywhere from 55% to 65% of the total of goods and services sold via direct marketing methods. And for 1981 we expect total volume to reach $120 billion.

Stone: How does DMMA define direct marketing?

Harper: The definition that will be used in the new edition of DMMA's "Fact Book" is: Direct marketing is an interactive system of marketing that uses one or more advertising media to effect a measurable response and/or transaction at any location.

Stone: Aside from the annual spring and fall conferences, what other activities does DMMA sponsor?

Harper: DMMA will sponsor a total of 35 seminars, covering about 82 days of intensive learning, in 1982. Subjects are varied: Catalogs, telephone marketing, magazine marketing, fulfillment, math and finance, copy and art and many more.

Stone: How does the growth of direct marketing compare with retail?

Harper: In 1981 retail sales volume in the U.S. grew 7% over 1979. For the same period, direct marketing sales volume grew 11%. It appears that current growth rates for direct marketing will continue through this decade with possibly a slower growth rate after the mid-1980s.

Stone: How do you feel the new media will affect direct mail usage?

Harper: There is no doubt the new electronic media will affect direct mail volume. But I do not see electronic communications entirely replacing written communications. It is possible the new media and direct mail will, out of necessity, become interactive and mutually supportive.

Stone: Do you know of any direct marketing success stories in the sale of goods and services via cable television?

Harper: DMMA used cable tv for its "Great Catalog Guide." This was intended to communicate the benefit of shopping by mail and the catalog listed more than 550 consumer catalogs in 27 product categories. It was estimated that 2,000 requests would be generated. Actually, more than 7,000 called during the two-week period the commercial was aired to request the "Catalog Guide."

It now appears that a very small percentage of cable tv advertising is focused on a direct sale. It hasn't quite yet reached a high point of interactivity. However, it's hard to believe it won't be successful. It will take time to influence consumers to change their buying habits. Not everyone is attuned to the wired society—yet.

Stone: How do expenditures break down among various media used by direct marketers?

Harper: Here are the figures for 1980 vs. 1979:

	(In Millions $) 1980	1979
Direct mail (postage, paper & production)	9,998.7	8,876.7
Telephone	9,845.0	8,555.6
Newspaper preprints	2,032.4	1,779.5
Television	253.0	217.0
Magazines (mail order merchandise only)	135.0	123.0
Coupons	84.2	72.0
Newspapers	60.6	54.4
Business magazines (industrial products only)	53.0	47.0
Radio	26.0	23.0
Total	$22,487.9	$19,748.2

Stone: What is DMMA doing to educate college students on the disciplines of direct marketing?

Harper: DMMA, through its independent, separately incorporated foundation, has several major programs for college students and professors.

One of the most effective programs is the "Collegiate Institute," run twice a year for a week, introducing 70 college seniors to the basics of direct marketing.

Another program is the "Institute for College and University Professors." Of 60 professors who attended two institutes in 1980, 11 started direct marketing courses.

Three other noteworthy programs include the summer student internship program for undergraduate students, who work a total of eight weeks in DMMA member companies and agencies in New York City; "Career Days" at spring and fall conferences, attracting more than 300 students each, and the first textbook in direct marketing for the college audience—"The Elements of Direct Marketing," being written by Martin Baier, vice-president-marketing, Old American Insurance Co., and professor at the University of Missouri/Kansas City.

When this book on direct marketing is published, we expect a quantum jump in the number of students studying direct marketing.

Stone: What does DMMA expect in postage rates over the next five years?

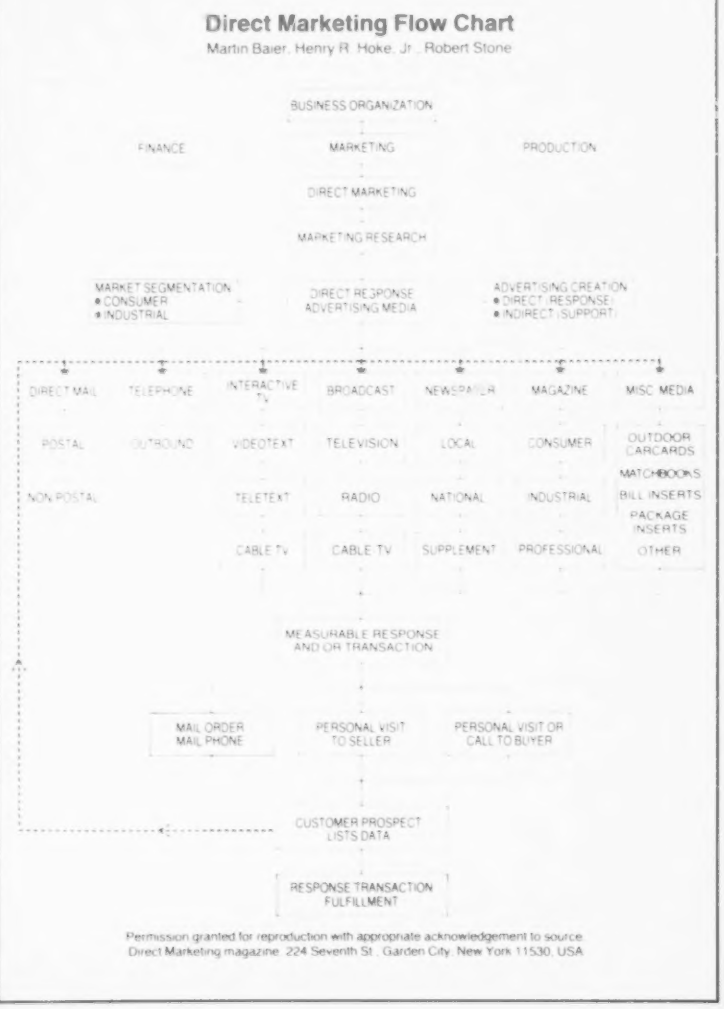
Harper: The postmaster general stated strongly he will do his best not to have another rate increase for two years (roughly October, 1983). If this holds, we can probably expect two increases in the next five years. How much is difficult to estimate.

Within the next five years, all public service subsidies to the Postal Service will cease and nonprofit subsidies will be substantially reduced.

If service cuts or other economies are not made, the money will have to generate from the rate structure. #

Bob Stone is chairman of Stone & Adler, Chicago.

This direct marketing flow chart depicts marketing functions and media options available to direct marketers



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Direct Marketing magazine 224 Seventh St., Garden City, New York 11530, USA

Advertising pages in January consumer publications

Current and January '81 figures for U.S., Canadian and foreign publications reporting to Advertising Age

	Pages Jan. 1982	Pages Jan. 1981
Women's		
†§Bride's Magazine	421.2	428.3
§Cosmopolitan	142.7	133.0
Essence	59.0	71.1
§Family Circle	59.3	61.3
§Good Housekeeping	111.5	115.8
▲Health	31.7	30.8
Ladies' Home Journal	49.5	64.7
Lady's Circle	6.2	11.1
McCall's	53.6	78.4
McCall's Working Mother	42.0	96.0
†Modern Bride	428.4	363.1
Ms.	25.5	30.0
○New Woman	40.0	36.6
§Parents Magazine	57.0	36.0
Playgirl	40.9	42.6
Redbook	70.6	70.5
Self	48.9	40.2
Seventeen	65.2	67.9
'Teen Magazine	28.0	28.8
§True Story	35.5	36.1
c. §Woman's Day	67.5	79.5
▲The Workbasket	45.7	36.2
Working Woman	48.5	34.1
Total Group	1,978.4	1,992.1
****% change '82 vs. '81	−0.7%	
General		
▲A.D. Magazine	11.1	15.3
Air Progress	16.0	20.7
▲American Film	25.3	29.5
American Forests	14.1	16.1
American Legion	36.7	35.9
American Photographer	39.0	37.5
○Americana	23.7	29.7
§Architectural Digest	75.2	79.6
§The Atlantic	21.1	20.1
○Audubon Magazine	25.1	22.9
§Bon Appetit	56.0	46.4
Book Digest	22.0	33.7
Changing Times	24.9	24.3
Christian Herald	32.8	40.5
Christian Life	27.3	23.1
☆Christianity Today	61.0	62.4
Circus	29.0	14.8
Complete Men's Group	23.0	21.0
Creative Computing	130.2	92.6
D. Cuisine Magazine	32.1	38.1
Dance Magazine	59.9	57.7
Ebony	66.0	64.4
▲Elks Magazine	25.7	31.2
§Esquire	40.8	21.7
Fifty Plus	22.5	30.7
Flying	37.5	36.5
○Games	26.3	18.6
§Gentlemen's Quarterly	49.4	45.7
Golf Digest	53.1	56.9
§Golf Magazine	121.5	112.7
Gourmet	45.3	28.8
§Harper's Magazine	15.0	14.8
High Fidelity	42.7	47.8
High Technology	29.7	—
#Inside	—	—
Kiwanis Magazine	20.9	19.3
Let's Live	72.5	89.6
Life	69.3	52.5
Lion	5.0	5.5
§Money	76.0	63.0
Moneysworth	15.3	18.4
Moody Monthly	47.4	54.3
○Mother Earth News	53.9	69.3
○Museum	35.2	36.5
National Geographic	20.8	13.3
National Jewish Monthly	22.5	19.1
Natural History	31.7	34.8
§Omni	48.3	39.4
§Oui	21.6	17.8
§Penthouse	55.3	63.5
Petersen's Photographic	39.3	37.3
Playbill	48.3	45.2
§Playboy	119.1	115.7
Popular Photography	131.6	124.2
Prevention	69.4	89.3
Psychology Today	39.7	36.7
§Reader's Digest	69.2	59.4
Rotarian	19.1	19.1
††Saturday Evening Post	47.2	43.8
Saturday Review	33.6	33.0
Science 81	46.2	34.4
Scientific American	86.3	86.0
Signature	47.3	31.7
Smithsonian	63.8	60.6
Stereo Review	60.5	52.0
Success	34.5	34.8
Technology Illustrated	35.3	—
Tennis	34.9	37.4
Town & Country	63.7	53.0
Travel/Holiday	39.5	43.0
Travel & Leisure	49.9	48.5
Video	49.3	42.5
Weight Watchers	18.0	28.3
World Tennis	22.2	37.0
Writers Digest	23.8	20.8
Yankee	82.0	83.6
Total Group	3,330.4	3,165.3
****% change '82 vs. '81	+3.2%	
Fashion & service		
Glamour	83.6	97.1
Harper's Bazaar	62.4	47.0
Mademoiselle	75.6	77.9
Vogue	102.8	77.9
Total Group	324.4	297.4
****% change '82 vs. '81	+9.1%	
Art & antiques		
American Artist	41.7	42.0
Antiques	207.0	117.7
○Art & Antiques	65.2	49.9
▲Art in America	113.4	88.6
▲Artnews	97.3	95.3
○Portfolio	49.0	45.0
Southwest Art	101.3	80.0
Total Group	674.9	518.5
****% change '82 vs. '81	+30.2%	
Home		
Early American Life	39.5	38.2
§Better Homes & Gardens	73.8	74.3
○Colonial Homes	60.0	41.6
Dallas-Ft. Worth Home/Garden	47.1	27.4
▲Family Handyman	62.3	62.8
○Flower & Garden	—	—
Home	36.7	24.2
†Homeowner's How-To	27.8	29.2
Horticulture	52.3	37.6
House Beautiful	61.1	64.6
House & Garden	71.5	77.7
Houston Home/Garden	86.8	79.1
Living:		
○Dallas	66.0	127.7
○Houston	83.0	87.1
○Denver	74.3	89.7
○Austin	—	—
○San Antonio	—	—
○Phoenix	—	—
○Florida Gulf Coast	—	—
○South Florida	40.2	—
Metropolitan Home	45.3	59.0
††New Shelter	42.8	45.7
1,001 Home/-Decorating Ideas	32.3	29.3
Organic Gardening	93.8	88.1
Phoenix Home/Garden	48.8	24.8
San Diego Home/Garden	45.5	39.3
#Southern Accents	—	—
Southern Living	70.9	73.7
§Sunset Magazine	72.7	69.0
▲Texas Homes	126.8	98.0
○Workbench	66.0	69.7
Total Group	1,527.3	1,457.8
****% change '82 vs. '81	+2.0%	
In-flight & other passenger		
#Aboard Group (7)	616.0	480.0
○Alas Group (9)	—	—
Alaskafest	34.3	34.3
American Way	44.6	42.6
East/West Network:		
Amtrak Express	29.3	31.6
Continental Extra	40.2	44.3
Eastern Review	61.2	68.2
Ozark Flightime	30.7	41.0
PSA Magazine	59.7	66.8
Republic Scene East	42.5	39.0
Republic Scene West	44.5	47.5
Texas International/-The Texas Flyer	40.8	48.3
United Mainliner	50.3	65.7
Halsey Publications:		
Braniff's Flying Colors	21.7	24.0
Delta Sky	40.2	40.0
○Skylite	8.2	—
Hawaii	22.9	28.3
○Pace	28.2	59.9
Pan Am Clipper	35.0	55.0
Southwest Airlines	80.0	64.5
Spirit of Aloha	23.8	29.8
USAir	32.9	30.0
Webb Publications:		
Frontier	43.8	31.7
Passages	29.5	22.3
TWA Ambassador	34.2	34.9
Total Group	1,494.5	1,429.7
****% change '82 vs. '81	+4.0%	
Metropolitan		
○Aloha	—	—
Atlanta	68.5	71.6
Baltimore	51.3	50.2
Boston	112.3	108.8
California	42.6	32.4
○Charlotte	—	—
Chicago	106.0	103.7
Chicago's North Shore	63.5	64.8
Cincinnati	55.6	55.9
Cleveland	41.2	79.7
Coast	114.0	60.3
Columbus Monthly	54.5	66.8
Connecticut	86.2	82.4
D/Magazine, Dallas/Fort Worth	91.4	94.4
Denver	22.5	39.1
Monthly Detroit	45.7	27.7
Grand Rapids	40.7	34.6
††Gulfshore Life	75.5	74.0
Honolulu	57.3	61.5
Houston City	52.3	42.6
Indianapolis	76.9	35.9
Kansas City	22.3	16.5
Lansing	18.0	20.8
Los Angeles	159.0	158.0
○Louisiana Life	48.0	—
Miami	106.4	92.5
Milwaukee	28.3	25.3
Nashville!	35.8	—
New Jersey Monthly	54.2	67.1
Ohio	36.3	23.8
Omaha	—	—
Oregon	16.7	16.3
Orlando	68.3	63.3
▲Pacific Northwest	—	—
Palm Beach Life	121.1	117.6
Palm Springs Life	171.5	176.7
Philadelphia	98.7	109.5
Phoenix	85.6	95.8
Pittsburgh	35.7	38.1
Roanoker	21.5	53.0
St. Louis	48.3	68.3
San Diego	127.8	157.3
San Francisco	43.6	47.0
San Francisco Bay Views	62.0	—
San Francisco Focus	28.6	30.8
†Shenandoah Valley	30.4	19.2
Spokane	21.2	34.0
Tampa	30.4	29.5
Tampa Bay	41.1	52.4
Texas Monthly	76.9	80.1
Tucson	33.6	34.1
Twin Cities	38.0	33.6
Washington Dossier	—	—
The Washingtonian	93.0	93.0
Westchester	29.0	26.5
Westchester Illustrated	41.0	30.1
Wichitan	43.0	45.8
Total Group	—	—
****% change '82 vs. '81	−0.5%	
Movie-romance radio-tv		
○Complete Women's Group	22.3	24.0
Ideal Women's Group:		
Daytime Stars	—	28.0
Intimate Story	—	27.3
Personal Romances	—	27.3
Soap Opera	—	—
Macfadden's Women's Group:		
Modern Romances	22.2	21.7
Secrets	22.2	21.7
True Confessions	22.7	21.4
True Experience	22.2	21.7
True Love	22.2	21.7
True Romance	22.2	21.7
Sterling Women's Group:		
Daytime TV	29.3	31.5
Modern Screen	—	32.2
○Movie Mirror	—	32.2
Photo Screen	32.3	—
Soap Opera Stars	25.3	—
TV Movie Screen	—	32.2
TV Picture Life	32.3	—
○Teen Bag	5.0	6.6
Total Group	280.2	371.2
****% change '82 vs. '81	−0.9%	
Youth		
Boys' Life	17.9	18.4
Campus Life	61.4	55.3
Total Group	79.3	73.7
****% change '82 vs. '81	+7.6%	
Mechanics & science		
§Mechanix Illustrated	61.7	64.6
Popular Electronics	48.0	61.6
Popular Mechanics	80.3	90.9
§Popular Science	62.6	68.5
Total Group	252.6	285.6
****% change '82 vs. '81	−11.6%	
Boating & yachting		
Boating	140.1	140.1
Chesapeake Bay	20.6	27.6
Cruising World	126.0	118.0
Lakeland Boating	43.8	41.3
Motor Boating & Sailing	132.9	139.0
Rudder	20.6	21.3
Sail	161.1	155.8
Sea & Pacific Skipper	78.2	78.2
Trailer Boats	23.8	21.8
Yachting	269.1	274.1
Total Group	1,016.2	1,017.2
****% change '82 vs. '81	−0.1%	
Automotive & recreational vehicles		
Car & Driver	55.3	63.7
Car Collector & Car Classics	24.7	22.3
Car Craft	39.2	36.2
Cycle	54.2	47.5
Cycle World	46.7	51.1
Dirt Bike	33.3	28.1
Dune Buggies & Hot VWs	43.1	37.5
Family Motor Coaching	102.9	66.9
4 Wheel & Offroad	32.1	22.6
Four Wheeler	25.0	24.1
Hot Rod	26.0	28.9
Motocross Action	59.8	47.7
Motorcyclist	38.2	22.7
Motor Trend	33.9	43.2
††Motorhome Life	60.1	40.2
Pickup, Van & 4 WD	26.9	19.0
Road & Track	65.9	73.8
Trailer Life	62.3	66.7
Total Group	829.6	742.2
****% change '82 vs. '81	−11.8%	
Outdoor & sport		
Alaska	40.2	34.6
○The American Handgunner	33.6	33.3
American Hunter	10.0	9.9
American Rifleman	26.6	30.6
○Backpacker	—	—
▲§Bass Master	57.3	41.6
††Bicycling	66.3	60.4
Field & Stream	51.5	56.4
Fins and Feathers	22.0	19.1
○Fishing World	33.8	30.0
Florida Sportsman	62.7	65.0
‡‡Fly Fisherman	48.0	60.5
Fur-Fish-Game	27.1	27.7
Guns	33.0	36.3
Guns & Ammo	33.2	29.5
Inside Sports	13.3	22.3
Outdoor Life	47.7	60.3
Petersen's Hunting	28.6	21.6
The Runner	38.1	18.3
Runner's World	25.5	32.3
Shooting Times	26.8	26.0
‡‡§Ski	86.3	76.3
‡‡Skiing	82.3	72.7
Skin Diver	60.6	58.5
‡‡Southern Outdoors	34.2	32.4
§Sport	33.2	27.7
Sports Afield	67.9	60.5
▲Spray	—	—
#Swim Swim	31.5	17.4
Total Group	1,038.9	1,039.6
****% change '82 vs. '81	−0.1%	
Comics		
○Archie Comic Group	—	—
DC Comics	7.0	9.0
Harvey Comic Group	8.0	8.0
Marvel Comic Group	10.0	10.5
Total Group	25.0	27.5
****% change '82 vs. '81	−9.1%	
Newspaper Sunday magazines/national		
§Family Weekly	93.1	84.9
Parade	76.5	65.2
Total Group	169.6	150.1
****% change '82 vs. '81	+13.0%	
Canadian national weekend magazines		
B. Perspectives	36.2	40.2
§Today	48.4	55.3
Total Group	84.6	95.5
****% change '82 vs. '81	−11.4%	
Canadian		
L'Actualite	33.8	25.7
Chatelaine:		
§English Edition	53.0	49.3
French Edition	44.4	38.7
§Financial Post Magazine	26.6	—
§Flare	47.6	50.0
▲§Homemaker's Magazine:		
English Edition	88.3	87.9
French Edition	61.0	58.3
§Macleans	71.0	59.8
▼§Quest Magazine	—	—
§Reader's Digest:		
Canada-English	33.9	20.0
Canada-French	34.0	40.0
Saturday Night	18.9	14.3
▲Toronto Life	64.3	75.0
Total Group	576.8	519.0
****% change '82 vs. '81	+6.0%	

****% Change figured ONLY from magazines with comparable issues 1982 AND 1981, 1981 AND 1980. §Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but NOT prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◇Published 11 times a year. ▼Published 8 times a year. **Published weekly. ►Published every two weeks. -Affiliated with Sunday Mag/Net. A. Combined unduplicated regional ads. B. Preprinted inserts included. C. Adjusted 1981 figure. D. Monthly as of Jan., 1982. E. 3 issues in Dec., 1981 vs. 4 issues in Dec., 1980.

(Continued on Page 74)

Advertising pages in January consumer publications

Current and January '80 figures for U.S., Canadian and foreign publications reporting to Advertising Age

(Continued from Page 73)

December pages

	Pages Dec. 1981	Dec. 1980	Jan.-Dec. 1981	Jan.-Dec. 1980
Business				
Atlanta Business Chronicle	22.4	34.3	351.5	319.3
Barron's	140.1	182.0	2,216.7	2,308.4
§Business Week	349.3	413.1	4,845.9	4,960.2
California Business	50.1	55.8	859.3	692.4
Corporate Report/Kansas City	44.0	43.7	575.8	467.2
Corporate Report/Minnesota	74.1	67.4	996.1	929.0
E. Crain's Chicago Business	67.5	79.8	1,109.5	849.5
Dallas/Fort Worth Business	41.0	44.4	544.1	384.1
Dun's Business Month.	73.0	76.2	914.7	1,021.3
☆Financial World.	52.4	47.3	950.1	928.5
Florida Trend	64.0	54.3	822.6	684.5
▶Forbes	197.6	166.6	2,765.9	2,671.3
▶§Fortune	179.3	205.3	2,738.4	2,304.7
Hawaii Business	39.4	44.5	612.4	680.9
Houston Business Journal	118.5	136.5	1,854.3	1,542.0
§Inc. Magazine	70.9	47.4	994.3	772.0
F. Indianapolis Business Journal	45.0	42.8	674.6	268.8
▶§Industry Week	75.3	70.1	1,663.8	1,593.4
§Nation's Business	36.0	30.2	512.5	480.7
*New England Business	22.3	20.5	559.5	547.8
G. St. Louis Business Journal	57.5	47.0	914.6	153.5
Texas Business	57.2	42.1	595.0	483.1
Venture	38.1	39.2	468.7	344.8
Total Group	1,915.0	1,910.7	28,540.3	25,387.4
***% change '81 vs. '80	−0.2%		+12.4%	
Newspaper Sunday magazines/local				
+Arizona Republic	227.3	254.5	1,725.9	1,774.9
+Chicago Tribune	148.5	162.7	1,467.7	1,545.8
+Cincinnati Enquirer	116.0	134.2	1,218.3	1,656.2
+Cleveland Plain Dealer	115.3	110.8	1,232.3	2,109.0
+Columbus Dispatch	82.6	71.6	1,055.2	1,153.4
+Dallas Morning News Scene	118.4	111.1	1,200.1	1,230.8
+Denver Post	177.1	158.8	2,256.6	2,391.0
+Detroit News	126.6	142.8	1,624.2	1,788.3
Los Angeles Times Home Magazine	136.0	129.7	1,379.9	1,565.7
+Louisville Courier-Journal	109.7	119.3	1,253.5	1,300.2
Miami Herald	97.5	95.1	1,029.7	1,021.2
+New York News	102.3	132.2	1,199.1	1,397.6
New York Times Magazine	374.8	379.0	4,511.6	4,397.0
+Toledo Blade Magazine	51.4	71.3	715.1	838.8
+Washington Post	123.3	148.5	1,622.9	1,636.9
Total Group	2,106.8	2,228.6	23,492.1	25,812.8
***% change '81 vs. '80	-/- 5.2%		−9.0%	
Weeklies, bi-weeklies, semi-monthlies				
§Army Times Military Group:				
Air Force Times	124.6	150.6	1,752.7	1,786.7
Army Times	124.7	148.3	1,726.7	1,780.6
Navy Times	149.7	164.9	2,026.8	1,952.2
The Times Magazine	15.3	16.6	206.4	245.4
AutoWeek	122.3	122.0	1,551.7	1,267.4
The Blood Horse	528.3	425.2	5,790.1	5,032.7
Capper's Weekly	11.4	12.3	244.9	272.5
Commonweal	9.0	7.6	99.0	85.8
Golf World	46.5	36.3	787.3	756.8
§Grit	27.7	13.3	336.1	366.3
National Review	27.4	37.8	340.0	348.8
New York Magazine	303.0	287.4	2,335.5	2,224.8
New Yorker	395.4	483.9	4,306.3	4,221.7
§Newsweek	237.9	204.6	3,127.6	3,116.9
People	355.0	388.6	3,603.7	3,430.8
Rolling Stone	74.0	80.4	1,099.2	984.9
Sporting News	43.1	42.2	559.5	591.5
§Sports Illustrated	224.3	240.2	2,884.8	2,646.8
§Time	225.1	283.4	2,905.4	2,849.2
A. Travelhost	2,459.2	1,347.6	24,169.3	16,121.0
§TV Guide	226.8	280.2	3,563.9	3,746.8
▶Us Magazine	52.2	44.8	453.5	549.7
§U.S. News & World Report	136.4	128.0	1,793.9	1,932.4
Total Group	5,919.3	4,948.2	65,665.4	56,311.7
***% change '81 vs. '80	+19.6%		+16.6%	
Foreign				
Buenhogar:				
Ecuador	20.5	25.5	137.7	156.2
Chile	8.0	5.0	38.5	39.5
Mexico	119.2	134.5	975.0	856.7
Puerto Rico	28.8	44.2	267.0	302.5
Venezuela	79.5	84.5	602.7	575.0
Colombia	81.7	90.2	709.8	763.8
Peru	60.7	44.7	487.3	285.8
Central America	10.5	22.0	87.3	123.5
U.S.	11.0	9.0	104.0	94.3
Dominican Republic	24.5	26.2	145.2	193.7
Coqueta:				
Mexico	13.0	11.0	116.0	105.5
Puerto Rico	4.0	1.0	22.5	32.5
Venezuela	7.5	5.0	96.0	82.5
Colombia	5.5	—	29.5	41.5
Peru	—	4.0	—	29.0
Central America	—	—	1.0	0.5
Fascinacion:				
Mexico	10.0	11.5	101.3	113.2
Puerto Rico	3.0	2.0	22.0	28.3
Venezuela	31.0	16.5	141.5	97.3
Colombia	18.5	17.7	132.2	106.7
Central America	—	—	1.0	—
Geomundo:				
Chile	14.7	9.5	93.2	71.5
Mexico	34.5	39.5	230.0	217.3
Ecuador	9.0	8.0	63.5	63.0
Venezuela	31.7	22.0	203.8	174.8
Colombia	27.5	17.0	180.0	150.5
Peru	20.0	19.0	143.5	121.0
Puerto Rico	11.7	11.0	77.7	78.0
Central America	12.7	10.0	76.7	76.0
Hombre De Mundo:				
Dominican Republic	—	9.0	17.0	64.3
Mexico	64.2	50.8	386.5	296.2
Chile	14.7	10.0	95.5	75.7
Puerto Rico	23.7	26.0	162.7	160.0
Ecuador	14.7	13.0	92.0	76.5
Venezuela	54.7	36.2	285.2	247.0
Colombia	35.3	31.3	223.0	201.0
Peru	18.7	15.0	142.0	83.0
Central America	13.7	16.0	101.5	96.8
Ideas Para Su Hogar:				
Dominican Republic	—	2.0	16.0	20.8
Mexico	34.5	27.5	298.2	180.3
Chile	1.0	2.0	14.5	15.0
Puerto Rico	3.2	4.0	42.3	35.0
Ecuador	3.5	0.5	31.7	3.3
Venezuela	33.3	31.7	275.8	229.2
Colombia	45.5	43.5	409.8	306.5
Peru	20.5	15.5	191.5	102.8
Central America	—	0.5	9.7	7.7
Intimidades:				
Mexico	5.0	9.5	68.0	75.7
Puerto Rico	4.0	4.0	38.5	48.5
Venezuela	8.5	11.5	129.0	147.0
Colombia	1.0	1.0	19.5	38.5
Central America	1.0	1.0	20.0	15.5
Mecanica Popular:				
Mexico	40.5	41.5	365.0	357.7
Puerto Rico	21.8	22.5	251.0	250.0
Venezuela	42.8	35.0	367.8	353.0
Colombia	34.8	28.0	336.5	315.2
Peru	39.3	40.2	362.0	354.3
Central America	25.8	22.5	262.8	251.7
Chile	10.2	9.7	82.8	80.7
Argentina	16.7	18.5	172.3	171.8
The Ring en Espanol:				
Mexico	3.0	2.0	25.0	28.8
Puerto Rico	0.5	3.0	28.0	31.0
Venezuela	3.0	1.0	37.0	15.0
Columbia	—	—	2.0	1.5
Central America	—	—	2.0	—
U.S.	2.0	4.0	27.0	35.0
Vanidades Continental:				
Dominican Republic	34.2	39.3	302.2	310.3
Mexico	224.2	207.3	1,860.3	1,582.0
Chile	26.3	21.0	234.2	164.3
Puerto Rico	79.7	71.5	689.8	651.2
Venezuela	123.3	111.0	1,015.7	967.7
Colombia	138.5	140.7	1,176.0	1,110.0
Peru	87.0	54.7	612.8	396.2
Central America	33.3	36.7	310.8	354.0
U.S.	62.8	54.0	527.2	435.2
Cosmopolitan Foreign Editions:				
Australia	107.8	99.0	783.0	857.4
Brazil	46.0	46.0	318.1	505.2
France	96.3	85.5	1,112.8	1,014.7
Germany	17.0	13.0	172.0	40.0
Great Britain	140.0	146.0	1,506.0	1,674.0
Greece	95.0	72.0	592.0	250.0
Italy	115.5	103.7	897.4	712.6
Japan	53.0	46.7	402.3	229.0
Cosmopolitan en Espanol:				
Central America	7.5	12.2	63.3	89.8
Colombia	49.5	54.2	284.0	323.0
Ecuador	4.2	5.2	29.2	36.3
Mexico	142.5	132.5	970.2	848.3
Peru	25.3	21.3	184.2	110.5
Puerto Rico	61.8	57.2	443.8	417.5
U.S. (Spanish language)	20.7	18.0	191.2	171.8
Venezuela	50.0	50.8	362.8	390.2
International Communications:				
African Business	34.5	40.6	382.9	376.5
The Middle East	21.4	36.0	335.0	450.0
New African	35.0	31.0	295.7	360.0
Al-Iktissad Al Arabi	16.0	26.0	259.4	220.1
International Herald Tribune	88.9	82.4	1,103.0	1,012.8
International Management:				
Africa	13.0	16.0	164.8	225.0
Europe	37.0	57.3	515.2	510.7
Latin America	7.7	19.3	159.0	235.7
Middle East	21.3	34.5	236.8	374.3
Pacific	13.0	18.0	204.8	210.0
Johnston International:				
Alam Attijarat	89.3	80.3	882.8	940.0
Modern Africa	39.8	35.2	233.1	200.8
Modern Asia	34.0	31.2	582.7	623.5
Near East Business	—	—	—	—
§Newsweek International:				
Atlantic	73.4	77.7	1,106.3	1,086.8
Latin America	25.7	30.7	406.3	451.5
Pacific	65.7	74.4	944.6	956.3
††Progreso	18.0	22.7	177.8	227.5
Reader's Digest:				
Arabic	11.5	16.0	222.5	151.5
*Asian	346.5	338.5	2,475.7	3,048.5
Australian	81.7	66.8	986.3	956.0
Belgian-Flemish	108.5	105.0	1,084.5	1,002.5
Belgian-French	89.5	80.0	890.0	882.5
British	63.0	72.0	765.2	881.6
*Chinese	143.0	126.0	1,325.3	1,504.0
Danish	28.5	36.5	590.9	483.6
Dutch	60.3	66.3	634.6	753.8
Finnish	33.8	33.3	583.9	595.4
French	47.8	61.6	831.4	883.8
German	87.1	76.3	899.6	931.4
Iberian	51.0	41.0	524.8	476.4
Indian	94.5	116.5	1,064.0	1,171.7
Italian	60.5	70.5	681.0	800.5
Japanese	53.8	59.2	616.2	629.3
Korean	17.5	18.5	213.0	228.5
Latin American:				
Argentina	32.0	48.0	344.0	408.5
Brazil	9.0	10.5	108.8	168.1
Central America	25.0	21.5	244.0	223.5
Chile	46.0	42.5	408.0	344.0
Colombia	77.0	62.0	663.5	560.0
Ecuador	25.0	28.5	198.0	157.5
Mexico	130.0	127.6	829.1	677.1
Peru	27.0	19.5	198.5	114.0
Puerto Rico	13.5	18.0	132.5	131.3
U.P.B.	35.0	46.5	297.0	275.0
U.S. Spanish	21.5	20.0	220.5	193.5
Venezuela	38.5	38.5	290.0	300.0
Portugal	96.0	81.5	567.3	525.5
New Zealand	68.5	83.0	768.8	876.7
Norwegian	43.0	52.3	578.8	538.5
South African	65.0	34.0	1,158.9	917.5
Swedish	20.8	42.0	317.4	309.0
Swiss-French	34.0	32.0	450.0	384.6
Swiss-German	46.0	44.0	521.2	513.0
Total	2,231.3	2,235.9	22,613.2	22,898.3
Time International:				
Time-Asia	93.1	129.8	1,187.2	1,238.5
Time-Atlantic	143.4	146.4	1,371.8	1,439.1
Time-Canada	132.3	156.5	1,864.8	1,586.9
Time-Latin America	69.0	125.7	996.6	967.2
Time-South Pacific	127.1	158.5	1,875.9	1,837.4
**Visao	136.3	153.4	1,586.8	1,636.9
▶§Vision/Latin America	76.9	61.6	575.6	599.9
Total Group	6,682.4	6,855.3	65,980.4	65,632.0
***% change '81 vs. '80	−2.5%		+0.5%	

***% Change figured ONLY from magazines with comparable issues 1982 AND 1981, 1981 AND 1980.§Sectional linage included but prorated to circulation of regional editions. *Sectional linage included but NOT prorated to circulation of regional editions. †Published 6 times a year. ○Published every other month. ▲Published 10 times a year. ††Published 9 times a year. ‡Published 3 times a year. #Published quarterly. ☆Published twice a month. ‡‡Published 7 times a year. ◇Published 11 times a year. ▼Published 8 times a year. **Published weekly. ▶Published every two weeks. + Affiliated with Sunday Mag/-Net. A. Combined unduplicated regional ads. B. Preprinted inserts included. C. Adjusted 1981 figure. D. Monthly as of Jan., 1982. E. 3 issues in Dec., 1981 vs. 4 issues in Dec., 1980. F. 52 issues, 1981 vs. 29 issues, 1980. G. 52 issues, 1981 vs. 13 issues, 1980.

Canada dailies periled: Report

By TONY THOMPSON

OTTAWA—Large Canadian daily newspapers are seen as modern-day dinosaurs of the media that could be toppled by even small changes in the economic context in which they exist, according to a research paper produced for a federal government inquiry into media ownership.

The report, published as a 110-page booklet, "An Industry in Transition," could make relevant reading for those watching the development, for example, of Gannett Co.'s *USA Today*, from the conclusion it draws of the progress by the *Globe & Mail*, Toronto, in becoming a national newspaper for Canada.

With satellite printing presses on line in Quebec, the Maritime Provinces, Alberta and British Columbia, the *G&M* is available in most major centers simultaneously. "Pride in this recent achievement still obscures the danger that it may pose for local newspapers, particularly if the *G&M* exploits its new potential to create distinctive editorial packages for regional audiences supported by regional advertising," the booklet notes.

■ But the biggest long-term threat to newspapers would come from video technology, although the impact perhaps may not be felt for decades. "Regardless of the timetable," the booklet states, "the threat to newspapers clearly is there and, perhaps, more lethal in its potential than the impact of radio and television has been."

Another report, "Newspapers and their Readers," contains 123 statistical tables and shows that Canadians have similar attitudes to those found in recent U.S. studies.

Of the 3,511 people sampled, the majority found tv to be "most influential, most up-to-date, most fair and unbiased," and "most essential to Canada." Newspapers, on the other hand, were found to be "most essential to the community" and to present the "widest range of opinion."

The inquiry was set up in 1980 following the same-day closure of the *Manitoba* (Alta.) *Tribune* and the *Ottawa Journal*, by Southam Inc. and Thomson Newspapers, respectively, leaving each with the only daily in town.#